


**Glodon Company Limited**

**ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE (ESG) REPORT**

**2023**



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Image: Glodon Smart Construction Base and South China Headquarters

### Availability of the Report

This report is available in both printed and online formats. It can be downloaded from Glodon's website ([www.glodon.com/en/](http://www.glodon.com/en/)) or requested in printed form via the contact details provided below:

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# About this Report

## Introduction

The report reviews the endeavors and accomplishments of Glodon Company Limited (“Glodon” or “the Company” or “we”) in the fields of environmental, social, and governance (ESG) in 2023. It aims to bolster mutual understanding and engagement between Glodon and its stakeholders, thereby fostering sustainable growth and long-term value.

## Publication

This is Glodon’s fifth public annual report, detailing our sustainable development initiatives.

## Reporting Period

The report primarily covers the period from January 1, 2023, to December 31, 2023, with occasional historical insights that mark significant milestones in Glodon’s journey.

## Organizational Scope

The organizational scope of this report encompasses all entities over which the Company has control or significant influence regarding financial and operational policies and measures, consistent with the scope covered in the Company’s annual report.

## Reference Documents

- *GRI Sustainability Reporting Standards (GRI Standards)* by Global Sustainability Standards Board;

- *ISO 26000: Guidance on Social Responsibility (2010)* by International Organization for Standardization;
- *IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information* and *IFRS S2: Climate-related Disclosures* by International Sustainability Standards Board;
- United Nations’ *2030 Agenda for Sustainable Development (SDGs)*;
- *Guidelines for Compiling Social Responsibility Reports (GB/T 36001-2015)*, *Guidelines for Social Responsibility (GB/T 36000-2015)*, *Guidance on Social Responsibility Performance Classification (GB/T 36002-2015)* by PRC National Standards;
- *Self-Regulatory Guidelines No.11 for Listed Companies-Information Disclosure Work Assessment*, *Self-Regulatory Guidelines No. 3 for Listed Companies-Industry Information Disclosure*, *Self-Regulatory Guidelines No. 17 for Listed Companies-Sustainable Development Report (Trial) (Draft for Comment)* by Shenzhen Stock Exchange.

## Source of Data

This report derives its disclosure information from Glodon’s official records and statistical reports, as well as sustainability performance statistics within the organizational scope. Our commitment is to continuously refine our data metrics to showcase our sustainability progress in an all-around way.

# Message from the Chairman

In 2023, Glodon embarked on our ninth three-year development strategy. During the year, the real estate and construction industry faced unprecedented challenges arising from the complex and evolving dynamics of the economy, placing heightened demands on the Company. Guided by the principle of "Customer Success", we dedicated ourselves to a relentless pursuit of innovation and breakthroughs, and identified "Systematic digitalization" as the approach to tackling the difficulties associated with achieving high-quality development. Driven by our commitment to build a winning company that lasts 100 years and contribute to our society through technology, we set our sights on creating long-term value for society. We endeavour to fully exploit and leverage our influence, fostering close collaboration with stakeholders to jointly shape a better future.

**Embracing sustainability as our vision**, we continuously integrate Environment, Social and Governance (ESG) elements into our corporate culture, and have formulated a sustainability strategy anchored on the core concepts of Green, Goodwill and Growth. A Strategy and Sustainability Committee has been established under the Board of Directors to strengthen organisation-wide engagement in ESG efforts and further integrate the concept of sustainability into our businesses. We have strengthened stakeholder communication and assessed and updated our materiality issues based on "importance to Glodon" and "importance to stakeholders. We are delighted to have received extensive accolades and recognition during the year. In addition to our consistent presence in various ESG indices in China, we have received awards such as "China ESG Listed Companies - Top 30 Technology Innovation Pioneer" and "Top 100 Listed Companies for ESG Performance in China for 2023". Our ESG initiatives have also been featured in various case collections, such as the "Top 100 Leading ESG Cases among Listed Companies in China".

**Rooted in green practices**, we actively "leverage technology to create a better living and working environment", where

"better" stands for green, healthy and sustainable qualities. To minimise our own carbon footprint, we strive to improve energy efficiency throughout our operations, practice green procurement, and drive collaborative efforts up and down the supply chain to help address climate change. To maximise our carbon handprint, we employ advanced technologies to drive emissions reduction in the construction industry. We have acquired leading overseas companies that specialise in global energy consumption simulation analysis to advance the sustainable shift in construction environment management and explore comprehensive carbon management solutions across the building life cycle, from material production, construction, to operation and maintenance. Embracing "smart ecosystem governance" as a key approach to improving the environment, we employ digital tools to promote the conservation and restoration of natural ecosystems. We encourage all employees to practise green principles, thereby contributing to the Beautiful China Initiative and building Earth, our common home, into a place where the economy and the environment thrive in harmony.

**With innovation as our beacon**, we are committed to transforming the construction industry into an attractive high-tech sector. We harness digital technology to improve site environments and utilise data models for refined management and scientific decision-making. In doing so, we reduce uncertainty, increase productivity, and boost the confidence and sense of accomplishment of construction professionals. To enhance innovation in research and development and promote collaborative exchanges, we have established eight global R&D and innovation centers. The Glodon Smart Construction and South China Headquarters Base, our fifth self-built innovation center in China, is expected to start operations in 2024. We have integrated self-developed BIM software into its entire construction process, creating a seamless digital chain throughout the project lifecycle. In addition, we employ digital methods to train high-caliber industry talents with practical skills, fortifying the "talent infrastructure"

in the construction sector. We create an open technology ecosystem and offer users and developers the Glodon Business Platform, a professional, reliable, flexible and open platform with independent intellectual property. We lower the barrier to digitisation and the cost of use, facilitate industry-wide insights into digital transformation, and pave the way for a new digital construction era.

**With development as our blueprint,** our foundation lies in sound management and shared development as we continuously expand our corporate social responsibility. We create a diverse, equitable and harmonious workplace that safeguards the rights and well-being of our valued employees. The refinement of our talent development system is an ongoing effort, designed to foster a strong sense of belonging and cohesiveness within our team. Our commitment also extends to optimizing our corporate governance structure and increasing board diversity, so as to strengthen our ability to adapt and innovate in different environments, and thus enhance our resilience to risks of all kinds. Steadfastly advancing our global footprint, we adhere to local regulations and conventions in our operations and share the fruits of our growth with the global community. A genuine commitment to community development motivates us to extensively participate in infrastructure projects. By leveraging our technological advantages, we contribute to causes such as rural revitalization, educational development and the welfare of vulnerable groups. The concept of sustainability aligns the values of the company, our people, and society, guiding our efforts to promote inclusive global development.

The road forward is long, but perseverance leads to arrival. The steps ahead are challenging, but dedication ensures success. In 2024, a pivotal year for our ninth three-year strategy, we will continue our journey as a committed digital enabler. By focusing on enhancing digital intelligence, driving productivity through digital transformation, and integrating data and digital governance, we aim to continuously support the fulfillment of our sustainability strategy. We will persist in our diligent efforts to create a

people-centric brand that thrives on professionalism and technology. Our goal is to build an organization that cares about employees' well-being, takes the lead in the industry, has a long-lasting business foundation, and is respected by the world, thus contributing to high-quality development that harmonises the economy, society, and the environment.



Yuan Zhenggang,  
Chairman and President of Glodon

# About Glodon

## | Company Profile

### Digital Building Platform Service Provider

Glodon Company Limited, keeping in mind the calling of “leveraging technology to create a better living and working environment”, has over 80 subsidiaries in more than 100 countries and regions worldwide. Glodon provides services around the life cycle of construction projects to various participants in the industrial chain, including industry administrators, builders, designers, consultants, constructors, and equipment and material manufacturers, and operates in such sectors as city operation, finance, and education. Glodon offers digital construction lifecycle solutions with specialized applications in construction engineering as the core fundamental support, and industry big data and industrial chain finance as value-added services. Leveraging digital core capabilities that span design, construction, operation, and maintenance, Glodon secures the top position in China’s digital construction market, maintaining its leadership stature.

Prioritizing industry research and technological innovation, while adhering to the concept of “digital building”, Glodon focuses on using digital technologies such as BIM, big data, Internet of Things, mobile internet, and industry AI to foster transformation and upgrading of the construction industry. Glodon continues to make every effort to make every project a success and help every construction practitioner make a difference, hoping to create a new ecosystem in the construction industry based on an open, interconnected, shared, and collaborative platform in the era of digital transformation.

As of the end of 2023, Glodon has:

**25 years**

of dedicated experience in the construction industry

**10,000+**

active employees

A global sales and service network covering

**200+** cities

**360,000**

corporate clients

**6,000,000+**

projects

**10,000,000+**

end-users

# Global Layout

## Combined Innovation and Proof of Concept

Eight global research and development centers, supporting the upgrade of core technologies and global progress of digital building.

Five innovation bases nationwide, supporting the in-depth practice of digital building through independent R&D and PoC.

### 8 Global R&D Centers

- Overseas | US R&D Center Finland R&D Center Poland R&D Center Sweden R&D Center
- China | Beijing R&D Center Shanghai R&D Center Xi'an R&D Center Guangzhou R&D Center



### 5 Self-owned Buildings in China

- Glodon Building Glodon Information Building, Beijing Glodon Shanghai Building
- Glodon (Xi'an) R&D Center Glodon Smart Construction Base and South China Headquarters



2009 / Beijing  
11,000 m<sup>2</sup>



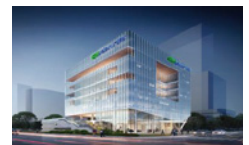
2013 / Beijing  
30,000 m<sup>2</sup>



2018 / Shanghai  
12,000 m<sup>2</sup>



2022 / Xi 'an  
66,000 m<sup>2</sup>



2024 / Guangzhou  
18,000 m<sup>2</sup>

**Our Mission:**

Leverage technology to create a better living and working environment, and pursue material and spiritual happiness for all staff.

**Our Vision:**

Become a great enterprise that cares about employees' well-being, takes the lead in the industry, has a long-lasting business foundation, and is respected by the world.

**Our Values 3.0:**

Customer Success / Win-Win / Integrity / Keep Learning / One Glodon / Day One

**2005** | International

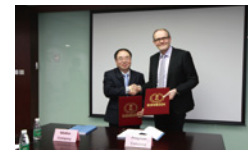
Start global layout and expansion

**2014** | Finland

Acquisition of MagiCAD Group

**2013** | Hong Kong

Branch opens, and expansion into Asia

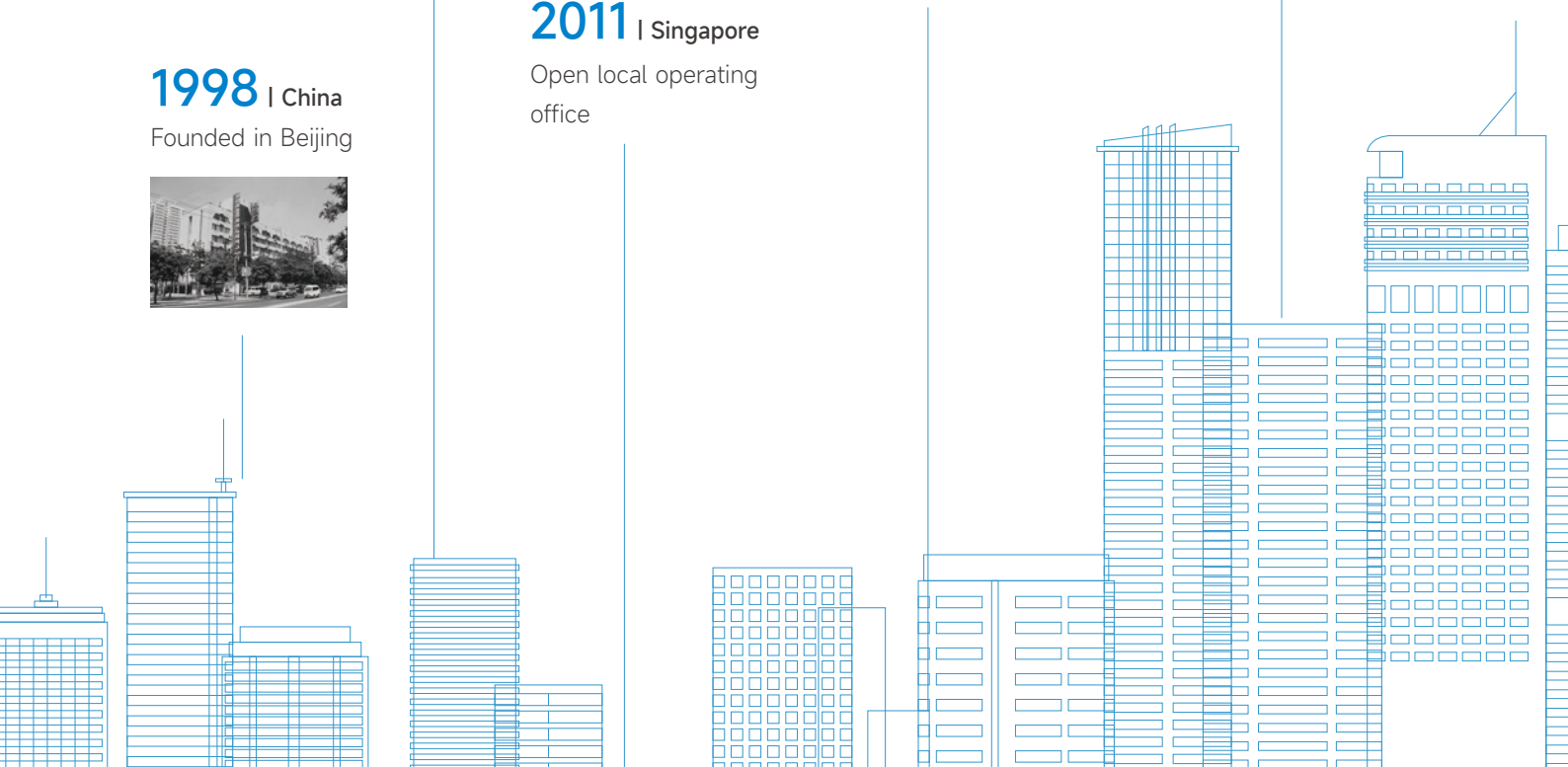


**2011** | Singapore

Open local operating office

**1998** | China

Founded in Beijing



## 2019 | Poland

Acquisition of Shapspark

## 2021 | UK

Partnership with RICS, CIOB and international universities

## 2015 | US

Open data research centre in Silicon Valley

## Future

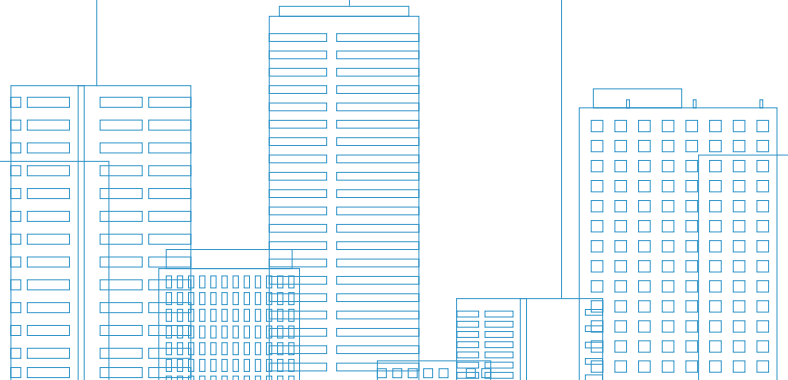
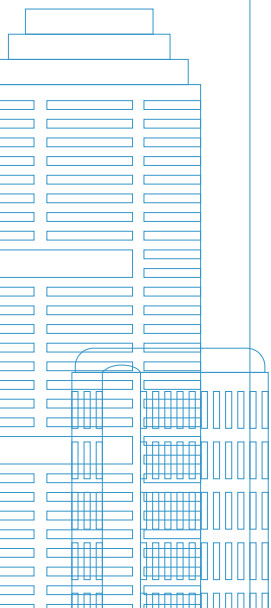
Build the leading digital building platform for the whole project lifecycle

## 2023 | Sweden

MagiCAD group acquires majority stake in EQUA simulation

## 2022 | EU & SEA

Accelerate digital building projects in regions

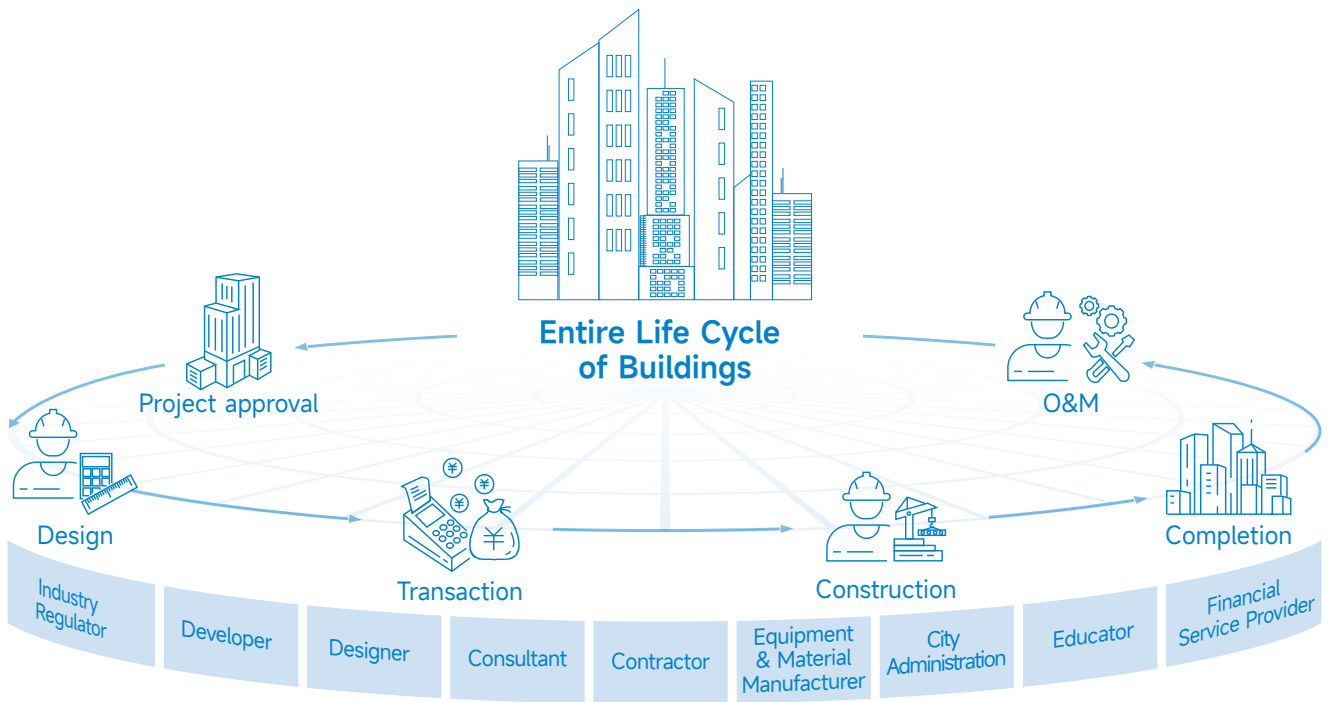




# Business Layout

## Serves the entire life cycle of the building

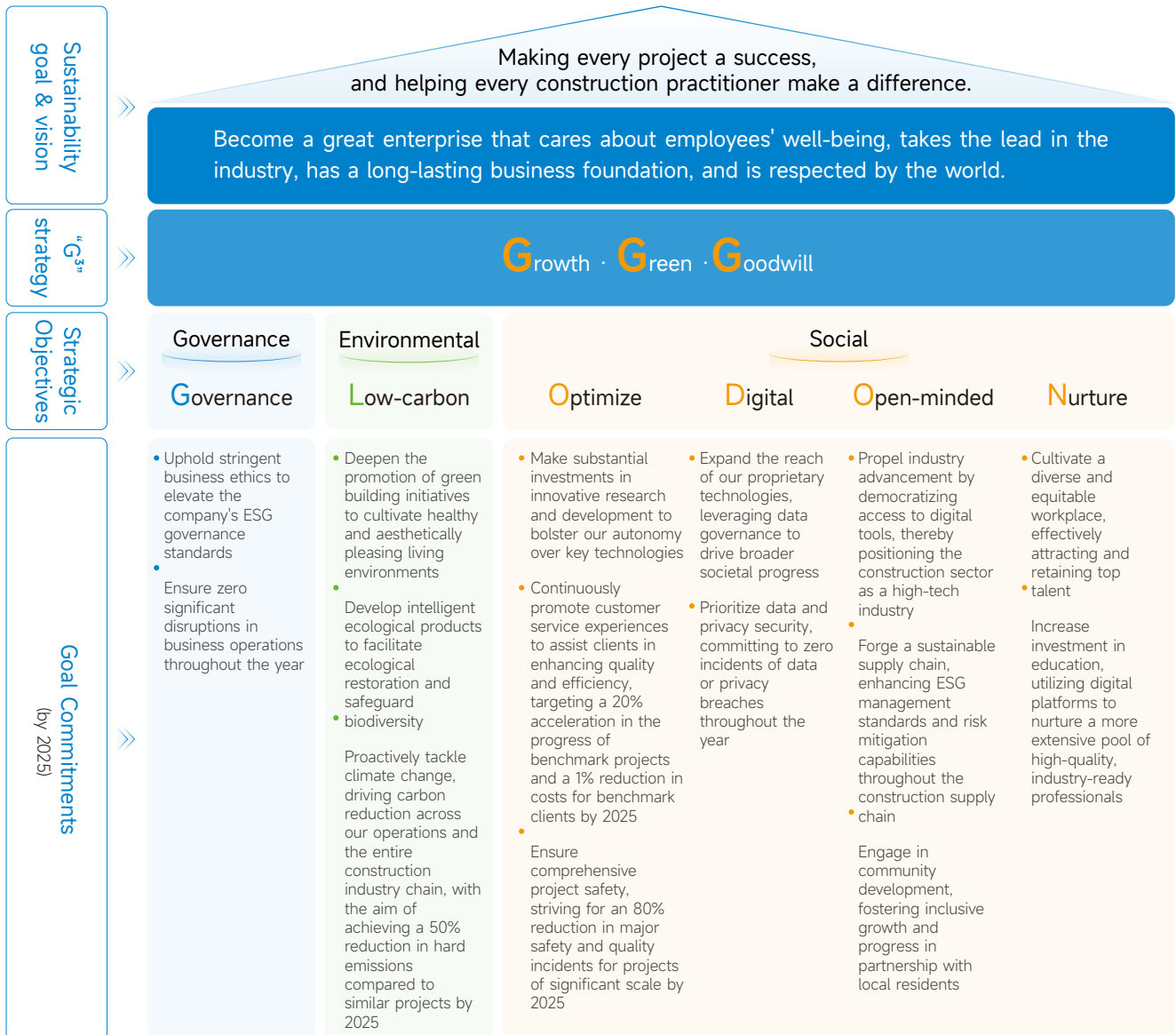
Glodon provides services around the life cycle of construction projects to various participants in the industrial chain, including industry administrators, builders, designers, consultants, constructors, and equipment and material manufacturers, and operates in such sectors as city operation, finance, and education. Glodon offers entire-lifecycle solutions for digital buildings with specialized applications in construction engineering as the core fundamental support, and industry big data and industrial chain finance as value-added services.



# Sustainable Development Management

## Sustainable Development Strategy

We foster the sustainability ethos within our corporate culture, committed to the vision of “making every project a success, and helping every construction practitioner make a difference”. In alignment with the vision, we unveil a sustainable development strategy built upon the fundamental principles of Green, Goodwill, and Growth, encapsulated in the innovation concept of G<sup>3</sup> (G-Cube).



# Sustainability Management Framework

Our commitment to sustainability management is unwavering, with ongoing efforts to refine our governance mechanisms. Glodon has been amplifying the board of directors’ engagement and supervision over sustainability concerns that impact corporate operations, spanning potential impacts, risks, and opportunities, while bolstered company-wide participation in sustainability initiatives to enhance our overall capacity in this area.

## Improving the Governance Structure for Sustainable Development

Glodon has developed a robust “decision-making, organization, and execution” framework for integrating sustainable development into our operations. This setup boosts the board’s involvement in vital sustainability issues and establishes a focused working group, led by the board secretary, comprising 2 dedicated members and over 30 business leaders, to spearhead sustainability efforts, link sustainability goals with performance, and report progress to the Strategy and Sustainable Development Committee. In 2023, the Committee held four committee meetings and two task force sessions focused on critical topics, such as climate change mitigation, the potential of clean technologies, and community engagement.

## Promoting Sustainability Awareness and Related Capacity Building

Concentrating on enhancing our sustainability team’s skills, Glodon provides regular training initiatives. In 2023, each full-time sustainability employee underwent 48 hours of training on average. To ensure all staff fully grasp and implement sustainable practices, we offer a mix of online and offline salons and mini-courses.

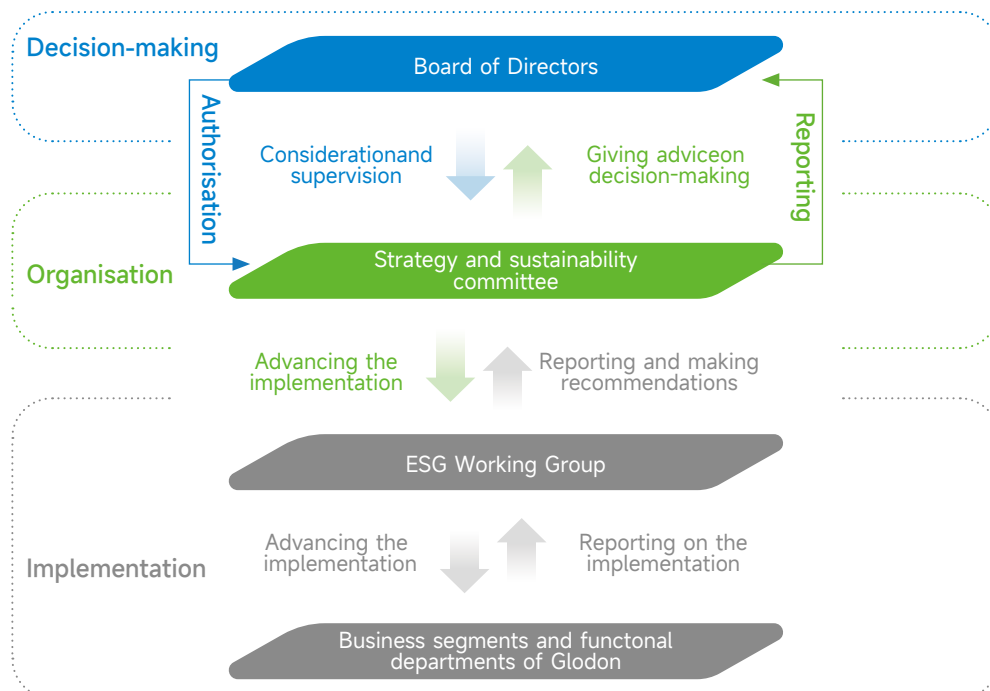


Image: ESG Governance Structure of Glodon Company Limited

## Stakeholder Engagement

Valuing insights from both internal and external stakeholders, we identify six stakeholder types in accordance with the *AA1000 Stakeholder Engagement Standard (2015)*: government/regulatory bodies, shareholders/investors, customers, partners/suppliers, employees, and the community/public. We connect with these groups using multiple platforms and channels to quickly grasp their expectations, integrate their feedback, and address their concerns. Through promoting active engagement in various forms, we strive to nurture a harmonious environment that supports sustainable development both inside and beyond our company.

Stakeholder	Expectations and Demands	Our Response
Government/ Regulatory Bodies	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Implementation of national strategies</li> <li>• Job creation</li> <li>• Technological innovation</li> <li>• Energy conservation and emission reduction</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance corporate governance, implement internal control compliance</li> <li>• Implement national policies</li> <li>• Create jobs and specific training</li> <li>• Invest in technological innovation</li> <li>• Promote green building</li> <li>• Practice low-carbon operations</li> </ul>
Shareholders/ Investors	<ul style="list-style-type: none"> <li>• Legal compliance</li> <li>• Reduced operational risks</li> <li>• Enhanced company market value</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen the compliance system</li> <li>• Regularly disclose information</li> <li>• Maintain frequent communication and exchanges</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Product quality assurance</li> <li>• Service quality guarantee</li> <li>• Sustainable win-win cooperation</li> </ul>	<ul style="list-style-type: none"> <li>• Innovate and iterate products</li> <li>• Improve customer service systems</li> <li>• Conduct customer satisfaction surveys</li> </ul>
Partners/ Suppliers	<ul style="list-style-type: none"> <li>• Win-win cooperation</li> <li>• Fairness and openness</li> <li>• Compliance with agreements</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance collaboration with government, academic, and research institutions</li> <li>• Actively engage in external exchanges and dialogues</li> <li>• Strengthen business ethics management</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Protection of employee rights, occupational health and safety</li> <li>• Career development</li> <li>• Employee care</li> </ul>	<ul style="list-style-type: none"> <li>• Improve compensation structures and democratic management mechanisms</li> <li>• Provide a good working environment</li> <li>• Offer professional training and promotion opportunities</li> <li>• Enhance welfare systems and organize diverse activities</li> </ul>
Community/ Public	<ul style="list-style-type: none"> <li>• Support for community development</li> <li>• Volunteering and charity work</li> <li>• Employment opportunities</li> <li>• Responsiveness to concerned issues</li> </ul>	<ul style="list-style-type: none"> <li>• Support the economic and social development of operational locations</li> <li>• Organize and participate in volunteer and charitable activities</li> <li>• Offer employment and skill training</li> <li>• Establish rich channels for information disclosure</li> </ul>

# Management of Material Issues

In our analysis of material issues, we follow the Global Reporting Initiative’s *GRI 3: Material Topics 2021* from the *GRI Standards*, and emphasize dual materiality principle of "impact materiality" and "financial materiality". To gather insights, we conducted the 2023 Glodon Sustainability Material Issues Survey, distributed it widely online, and targeted a diverse group of stakeholders with a balanced representation of both internal and external ones. From the 495 valid responses received, the breakdown was as follows: employees (39.80%), customers (17.17%), partners/suppliers (16.77%), the community/public (14.55%), shareholders/investors (11.11%), and government/regulatory bodies (0.60%).

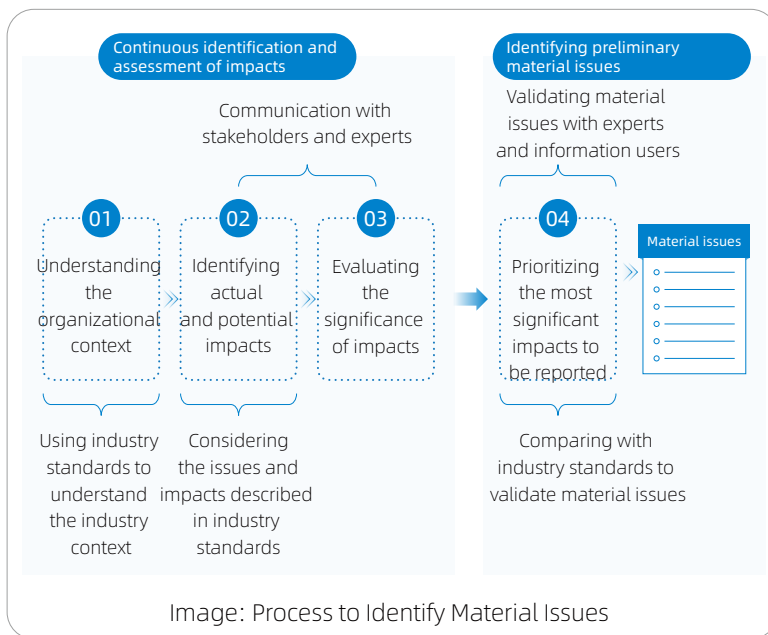


Image: Process to Identify Material Issues



Image: At a construction engineering forum, clients and media were invited to fill out survey questionnaires

After thorough identifying, screening and ranking of material issues, and the review of the Board Committee, the 2023 sustainability material issues analysis matrix for Glodon is displayed below, showcasing the topics arranged in a two-dimensional grid based on their importance to the Company’s sustainability and to the stakeholders.

- |  |                                     |  |
|--|-------------------------------------|--|
| 1 Corporate Governance                     | 9 Product Responsibility            | 16 Employee Welfare and Care               |
| 2 Compliance                               | 10 Technology Innovation            | 17 Career Development and Training         |
| 3 Investor Relations                       | 11 Promoting Industry Development   | 18 Community Communication and Development |
| 4 Business Ethics                          | 12 Customer Service                 | 19 Rural Revitalization                    |
| 5 Carbon Management                        | 13 Data Privacy and Security        | 20 Public Welfare and Volunteering         |
| 6 Green Building Development Opportunities | 14 Intellectual Property Protection |  |
| 7 Resource and Energy Use                  | 15 Diversity, Equity, and Inclusion |  |
| 8 Sustainable Supply Chain                 |                                     |  |

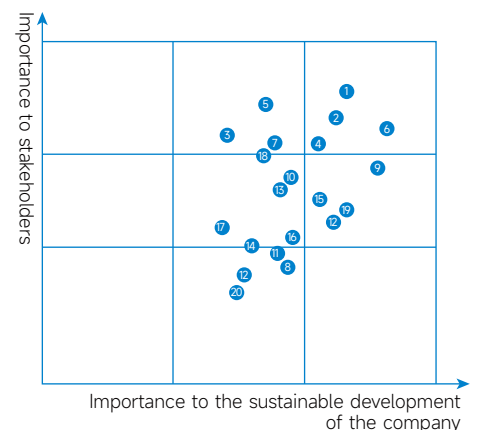


Image: Glodon’s 2023 Sustainability Material Issues Analysis Matrix

In 2023:

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Green House Gas Intensity (GHGI) at

**0.014** tons  
carbon dioxide equivalence  
per 10, 000 yuan

Water Use Intensity at

**0.17** tons  
per 10, 000 yuan

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# GREEN

Glodon proactively responds to the global consensus of *the Paris Climate Agreement*, continually improving its environmental management system. The Company has taken more effective actions in energy-saving, emission reduction, and carbon reduction across all stages to minimize its carbon footprint. Significant investments have been made in clean technology research and development, aiding in the improvement of both the architectural and ecological environments. The Company's endeavors have promoted harmonious relationship between cities and nature, with a joint effort from stakeholders, to build a clean, green, and beautiful homeland.

## Sustainable Development Goals



# Environment Management

Glodon has taken efforts to minimize environmental impact in line with the World Environmental Convention, other international environmental protection regulations, and local legal requirements. In alignment with environmental management system's guidelines, we are formulating environmental policies and gradually institutionalizing clean production and green office initiatives to minimize our operational impact on the environment. We've developed contingency plans for environmental emergencies, ensuring prompt responses to pollution incidents and natural disasters.

In 2023, we conducted a thorough evaluation of relevant laws, environmental and financial implications, management deliberations, and stakeholder perspectives to pinpoint and assess key environmental factors influenced by our operations. We initiated measures to oversee and track these pivotal factors, ensuring their control status is continually monitored and reported. This approach enabled us to refine and enhance our action strategies based on practices.

Glodon's Key Environmental Factors	Sections
Office greenhouse gas emissions	Climate Change Mitigation
Office energy consumption	Climate Change Mitigation
Water resource management	Resource Use
Waste management	Waste
Supplier environmental performance	Supply Chain Management
Greenhouse gas emissions of buildings	Clean Technology Opportunities
Biodiversity protection	Biodiversity Protection

## Case

### Minimize Environmental Impact through Green Construction and Digital Innovation

The Company rigorously followed green construction standards in the construction of Glodon Smart Construction Base and South China Headquarters, by employing advanced technology through a smart construction site platform and online green construction monitoring equipment, which facilitated real-time monitoring and predictive analysis of the site's environmental impact and energy use. It has achieved a score of 95 in the Green Construction Management on-site evaluation by the China State Construction Engineering Corporation, placing it at the forefront of the industry.

# Climate Change Mitigation

Glodon actively aligns with global initiatives such as the *Paris Agreement*, the *2030 Agenda for Sustainable Development*, and the *United Nations Framework Convention on Climate Change (UNFCCC)*, acknowledging the severity of climate change and the critical need to address it. Specifically, we follow the *Task Force on Climate-related Financial Disclosures (TCFD)* guidelines for governance, strategy, risk management, and climate-related metrics and targets. With the TCFD oversight transitioning to the ISSB in 2024, we joined ISSB as an early partner in 2023, aiming for enhanced climate disclosure after a year of learning and practice.

Glodon has developed a robust “decision-making, organization, and execution” framework for integrating sustainable development, such as climate change mitigation, into our operations. This setup boosts the board’s involvement in vital sustainability issues and establishes a focused working group, led by the board secretary, comprising 2 dedicated members and over 30 business leaders, to spearhead sustainability efforts, link sustainability goals with performance, and report progress to the Strategy and Sustainable Development Committee, which held targeted discussions on climate change mitigation in 2023.

Viewing “active climate change response” as a foundational element of our sustainability strategy, Glodon has devised short to long-term action plans with performance-linked climate goals. Climate change is integral to our risk management, involving board-level analysis of climate risks and opportunities, including transition risks probably occurred by policies and laws, technologies, market and reputation, short-term and long-term physical risks, and opportunities in resource efficiency, energy, products/services, and market resilience. The analysis also extends to policy research, corporate practice benchmarking, and industry-specific analyses in construction, real estate, and software sectors. (See [3.1.3](#) for risk prevention and control details.) We identify and manage our carbon emission sources in a targeted way to progressively reduce our carbon footprint.



GHG Emission Scope	Source	Scenario
Scope 1	Direct emissions from mobile combustion	Company vehicles using fuel
	Direct emissions from stationary combustion	Boilers and cafeteria areas
Scope 2	Indirect emissions from purchased electricity	Electricity used in office spaces
	Indirect emissions from purchased heat	District heating, hot water supply, etc.
Scope 3	Indirect emissions related to the supply chain	Emissions from employee commuting
		Emissions from business travel
		Emissions from logistics and supply activities
		Emissions from the procurement of purchased goods

Identifying Glodon’s Carbon Emission Sources

	Beijing	Xi’an	Shanghai
Scope 1 Emissions (tons of carbon dioxide)	15.28	0.09	/
<b>Total Scope 1 Emissions</b> (tons of carbon dioxide)	<b>15.37</b>		
Scope 2 Emissions (tons of carbon dioxide)	4815.58	3301.39	988.68
<b>Total Scope 2 Emissions</b> (tons of carbon dioxide)	<b>9105.65</b>		
<b>Total Scope 1 and 2 Emissions</b> (tons of carbon dioxide)	<b>9121.02</b>		

Glodon’s Carbon Emissions in 2023<sup>1</sup>

<sup>1</sup>The basic equation for carbon accounting by the Intergovernmental Panel on Climate Change (IPCC) is: Greenhouse Gas (GHG) emissions = Activity Data (AD) × Emission Factor (EF).

The carbon emission factors used are as follows:

- Electricity: 0.5703 kgCO<sub>2</sub>/kWh
- Natural Gas: 0.002162 kgCO<sub>2</sub>/m<sup>3</sup>
- Gasoline: 2.924884 kgCO<sub>2</sub>/kg



## | Scope 1 Carbon Emissions

We monitor and mitigate our carbon footprint by focusing on direct greenhouse gas (Scope 1) emissions across all emission sources. The Glodon Xi'an Building is equipped with rooftop solar panels and solar hot water systems for sustainable, in-house energy production. In addressing mobile combustion, we refine fuel consumption tracking for company vehicles, streamline routes, and maintain regular vehicle upkeep for optimal performance. For stationary combustion, we prioritize clean and renewable energy sources such as natural gas and electricity, alongside energy-efficient appliances to boost efficiency. To tackle fugitive emissions, we choose eco-friendly refrigerants and enforce regular air conditioning maintenance to prevent leaks.

## | Scope 2 Carbon Emissions

Energy management is pivotal in our carbon reduction strategy, ensuring energy is used both wisely and sparingly. Under the goal of “balancing quality with energy”, we cater to the diverse spatial needs of our employees across seasons and in different scenarios. The Glodon Shanghai Building introduces a targeted energy consumption management goal of “reducing energy use and carbon emissions, increase energy efficiency, and save costs by 5%”, serving as a benchmark for managerial enhancements.

Our approach integrates energy-efficient designs and systems, enhancing efficiency through natural lighting simulations, optimized window shading, interior layouts, and maximizing natural light. We employ energy-saving technologies like thermal recovery and shading systems to conserve energy and increase its efficiency, in addition to high-efficiency LED lighting, well-planned lighting systems, and controlled usage time and scope. The Company's Guangzhou Building is on track to implement advanced energy management and maintenance systems by 2024, anticipated to save over 250,000 RMB annually in energy costs.

We utilize smart systems for precise energy management, advancing our commitment to energy conservation and carbon reduction. Targeted analyses of electricity use and focused assessments of critical equipment enable us to determine seasonal and timed energy control approaches for building utilities (air conditioners, lights, lifts, and engines). Through Building Automation (BA) and intelligent electricity monitoring, we ensure real-time oversight, process monitoring, and prompt alerts for any irregularities and overload, thereby elevating management effectiveness. The detailed energy consumption measurement framework within the Guangzhou Building exemplifies our commitment to the fine management of energy consumption.

## Case

### Glodon (Beijing) Headquarters Building Achieves Fine Management of Energy Consumption through Digital Technologies

In June 2023, Glodon's Beijing Headquarters launched its digital power distribution system. This initiative integrates cutting-edge technologies like artificial intelligence, image recognition, digital twins, and augmented reality to perform automatic analysis of line loss origins and factors, enabling precise quantification of distribution losses and identification of grid vulnerabilities for targeted improvement suggestions.



Image: The Glodon (Xi'an) R&D Center achieved the internationally prestigious WELL V2 pilot Platinum certification. It stands as the largest project in Northwest China to meet the WELL standards for healthy buildings.

## Scope 3 Carbon Emissions

We remain committed to managing indirect greenhouse gas emissions within our value chain (Scope 3), enhancing green transportation and logistics, incentivizing the procurement of eco-friendly products, and engaging in low-carbon educational and promotional efforts. We also collaborate with value chain stakeholders to find effective ways to reduce our carbon footprint and enhance environmental performance.

For business travel, we implement an electronic seal system, and minimize travel needs by hosting online forums and meetings. In 2023, we conducted 577,276 virtual meetings, and encouraged employees to choose low-carbon public transport options whenever practical.

In commuting practices, we champion green transportation, encouraging the use of public transit among our employees. All of the 9 employee shuttle buses are renewable energy

vehicles. With strategically planned parking and an increased number of charging stations—149 installed by the end of 2023—we advocate for the use of renewable energy vehicles to cut down on transport-related carbon emissions.

In logistics and distribution, we prioritize partnerships with suppliers committed to low-carbon principles, setting carbon reduction targets and taking proactive steps. Our electronic contracting platform plays a crucial role in reducing carbon emissions associated with mailing contracts. In 2023, this system helped cut down on 5,831 document mails.

In procurement, we prioritize to purchase green, low-carbon products, while setting environmental standards for manufacturing suppliers. In 2023, 26 suppliers were evaluated for environmental and social risks. (For more details on sustainable supplier management, refer to [2.7 Supply Chain Management](#)).

	Annual Electronic Contracts	Annual CERs <sup>2</sup> (kilograms of carbon dioxide)
2020	4,667	2,338.87
2021	77,367	3,691.97
2022	14,990	7,512.24
2023	17,722	11,841.84

### Carbon Emission Reductions (CERs) by Glodon's Electronic Contracting Platform

<sup>2</sup>Calculation Method: Carbon reduction is calculated based on the "Contract Signing Carbon Reduction" model developed by Fadada electronic signature system.

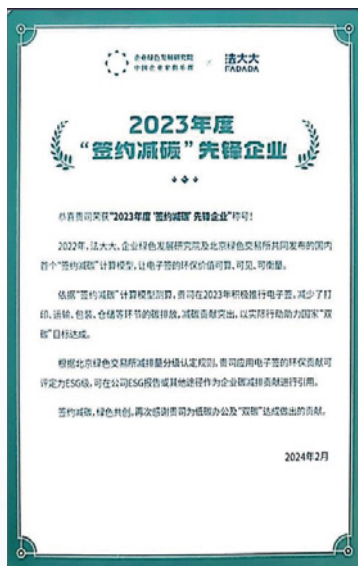
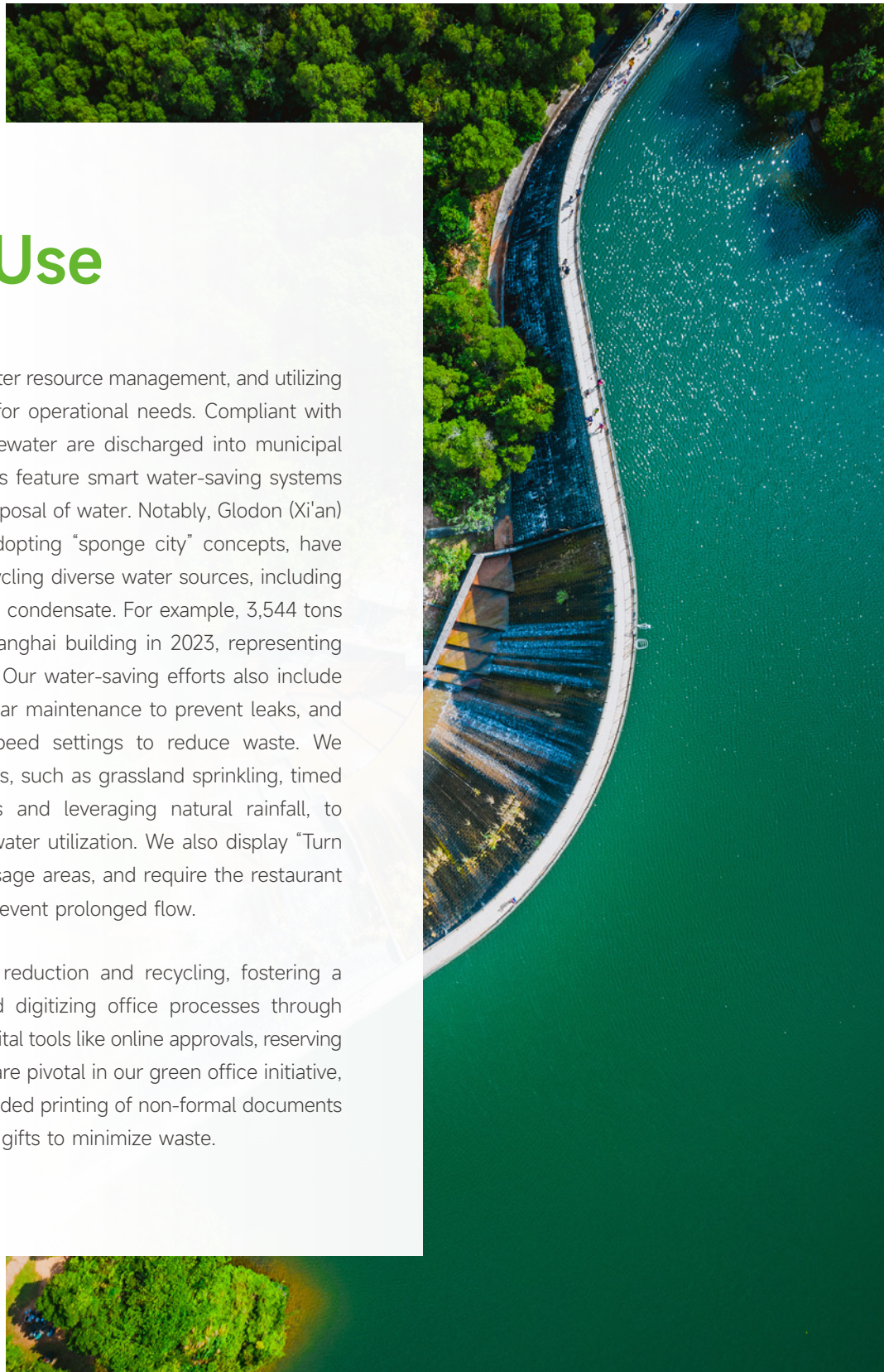


Image: According to the grading rules of Beijing Green Exchange, Glodon was awarded the title of "Pioneer Enterprise of Contracting for Carbon Reduction in 2023" for its outstanding contribution to carbon reduction through the application of e-signature.

## Resource Use

We are committed to enhancing water resource management, and utilizing municipal and recycled rainwater for operational needs. Compliant with regulations, our sewage and wastewater are discharged into municipal wastewater pipelines. Our buildings feature smart water-saving systems and efforts for efficient use and disposal of water. Notably, Glodon (Xi'an) R&D Center and Hotel Canton, adopting “sponge city” concepts, have made strides in collecting and recycling diverse water sources, including rainwater, greywater, tailwater, and condensate. For example, 3,544 tons of water were recycled by the Shanghai building in 2023, representing over 61% of its total consumption. Our water-saving efforts also include using water-efficient fixtures, regular maintenance to prevent leaks, and optimized water pressure and speed settings to reduce waste. We employ strategic irrigation practices, such as grassland sprinkling, timed sprinkling at cooler temperatures and leveraging natural rainfall, to enhance irrigation efficiency and water utilization. We also display “Turn off when leaving” signs in water usage areas, and require the restaurant water to be used on-demand to prevent prolonged flow.

Our strategy extends to material reduction and recycling, fostering a paperless office environment, and digitizing office processes through *E-workflow Management Regulations*. Digital tools like online approvals, reserving meeting rooms online, and emails are pivotal in our green office initiative, where we also emphasize double-sided printing of non-formal documents and minimal packaging for holiday gifts to minimize waste.



## Case

### Glodon's Workplace Conservation Initiative

In 2023, our Beijing, Shanghai, and Xi'an offices launched the "Maximize Savings, Small Actions, Big Impact" initiative, focusing on resource conservation, promoting low-carbon practices, and fostering an eco-conscious work culture that encourages everyone to save resources and enhance efficiency.

#### Glodon's own workplaces have actively implemented conservation initiatives by:

- Making electronic environmental awareness posters, disseminated via digital screens and social media.
- Optimizing office layout with a shared workstation system, enhancing space efficiency and reducing energy usage.
- Introducing nightly energy and water-saving patrols to switch off unused lighting and water appliances and fixtures during 18 o'clock to 6 o'clock.
- Regularly updating our conservation efforts, boosting employee engagement and sense of achievement.
- Initiating a carbon points system to incentivize and reward energy-efficient behaviors within the office.



Image: Posters of Glodon's Workplace Conservation Initiative "Maximize Savings, Small Actions, Big Impact"

# Waste

Glodon complies with local waste management regulations, refining waste management framework, initiating robust garbage sorting, recovery, and processing systems. Our strategy aims at minimizing waste generation and maximizing resource utilization, thereby alleviating environmental stress. Glodon selects certified waste disposal entities in line with regulations and laws to ensure waste management is both standardized and traceable.

## General Waste

Household garbage, kitchen waste, construction waste, waste paper, waste plastic, waste metal, etc.

## Management

- Household waste is sorted and transported to designated disposal areas as per guidelines of local environmental and sanitation departments. Kitchen waste is recycled and processed by certified entities. Construction waste is managed by the respective construction teams, ensuring timely cleanup and disposal.
- Recyclable materials, including waste paper and plastics, are recycled. Confidential documents are securely destroyed through eco-friendly methods.

## Hazardous Waste

Scrapped electronic components, electronic devices, including scrapped printer toner cartridges, ink cartridges, fluorescent tubes, copiers, fax machines, calculators, and other equipment in offices and business premises.

## Management

- Hazardous waste is stored in facilities that comply with pollution control regulations, marked distinctly with hazard warnings.
- The selection of recyclers for hazardous waste is conducted in line with the Company’s asset disposal policies, prioritizing those certified by environmental protection agencies. The whole process shall be record-kept and documented.



Image: Glodon is committed to enhancing recycling rates across facilities through stringent waste classification practices.

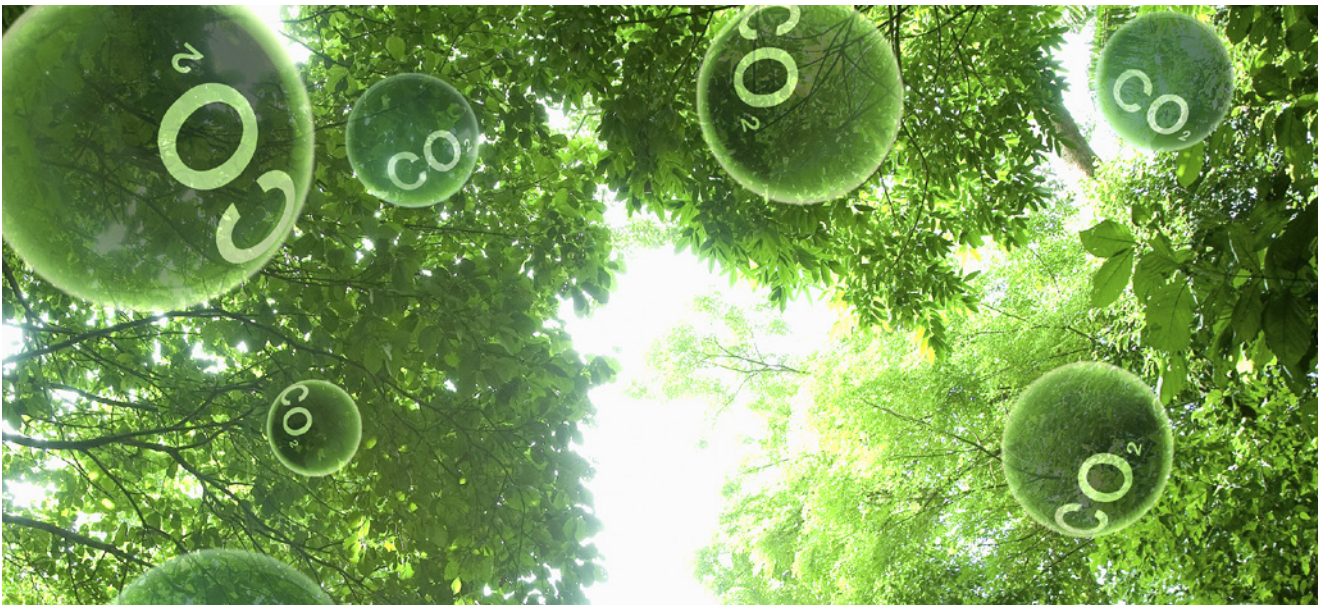
# Clean Technology Opportunities

Our commitment to greenness guides our innovation, with a strong focus on enhancing energy efficiency and reducing carbon emissions through R&D and acquisition across the entire lifecycle of construction projects—from design and material selection to construction and operation.

Through the acquisition of EQUA, a global leader in building energy simulation, by our subsidiary MagiCAD, we've integrated EQUA's cutting-edge simulation technologies with MagiCAD's MEP design products, and innovated low-carbon building solutions. Our design decisions in new and renovation projects could rely more on detailed simulation analyses, significantly enhancing the sustainability of building design.

Our research efforts extend deeply into carbon management within construction sector. As a main researcher, we undertake the digital building software laboratory project under the national digital construction technology innovation center, focusing on "carbon emission factor measurement, accounting, and intelligent evaluation technology for building materials and building lifecycle". In industry-academia-research partnerships with academic institutions like Huazhong University of Science and Technology and Southeast University, we work together to explore intelligent solutions for energy-efficient operations and low-carbon management.

We also promote industry standardization, notably leading the development of the *Energy Consumption and Carbon Emission Calculation Technical Standard of Building Engineering Projects in the Xiong'an New Area* and contributing to the *Building Energy Efficiency Labeling Technical Standards*. By creating foundational tools for carbon emission management and establishing a comprehensive database of carbon factors specific to the Chinese building sector, we're not only advancing our capabilities but also driving the broader industry towards a more sustainable, energy-efficient, and low-carbon future.



## Our suite of products and technologies is designed to reduce carbon emissions throughout engineering projects.

- Digital Design Tools:** Simulation and performance analyses help designers to evaluate the environmental impact, energy consumption, and carbon emissions of building operations in advance, and assess the impact of design modifications on these indicators. Designers could make informed decisions, opting for solutions that minimize energy use and carbon footprint.
- BIM Technology:** Facilitating cross-disciplinary collaborative design, BIM technology anticipates and resolves potential conflicts and inaccuracies early in the design phase. It synchronizes design outcomes accurately and timely to the construction team, reducing the need for rework, minimizing material wastage, and cutting down on carbon emissions resulting from extended construction timelines.
- Digital Supply Chain Platform:** This platform enhances supply chain efficiency by selecting suppliers based on regions, which concentrates material supplies and improves quality while reducing transportation distances. Additionally, it fosters a service platform for green building materials, encouraging environmentally friendly options.
- “BIM+Smart Site” Data Decision System:** Offering dynamic oversight of construction sites, this system analyzes real-time data to recommend optimal management strategies. By doing so, it aims to shorten construction timelines, conserve resources, and minimize waste.
- Glodon’s Carbon Emission Measurement Cloud Platform:** A pioneering digital platform that encompasses the entire lifecycle of construction projects, from material sourcing to project completion. It focuses on refining carbon measurement techniques, promoting significant carbon reductions across the industry through innovation.



Image: Glodon’s carbon emission measurement cloud platform has been applied for Glodon (Xi’an) R&D Center, Guangzhou Building, and other clients.

## Case

### Why EPDs are Becoming Important for MEP BIM Planning

Since 2022, the EU Taxonomy has been assessing building values based on their total lifecycle environmental impact, from manufacture, transportation, construction, operation to demolition and recycling. To align with this, MagiCAD has developed MagiCAD Cloud over the past year, a BIM object database providing MEP planners standardized data for easy access and processing of environmental data of products within buildings, enabling precise lifecycle analysis.

**“With the help of MagiCAD’s product library, I can easily find components that I know have the proper environmental classification,” adds Marcus. “Sustainable construction is about designing better systems that use less energy.”**

—Värme plumbing consultant Marcus Persson

## Case

### Glodon Products Boosting Project Management at Zhongguancun Software Park

Glodon integrated planning software and PMSmart software improved Beijing International Construction Group’s planning efficiency by 30% in the Zhongguancun Artificial Intelligence Technology Park Phase I project, enhancing collaborative communication fivefold. Its material management module significantly lowered primary material waste and consumption, saving resources and cutting emissions. The project cut actual material loss by over 30%, saving around 890,000 yuan and shortening the timeline by 36 days.

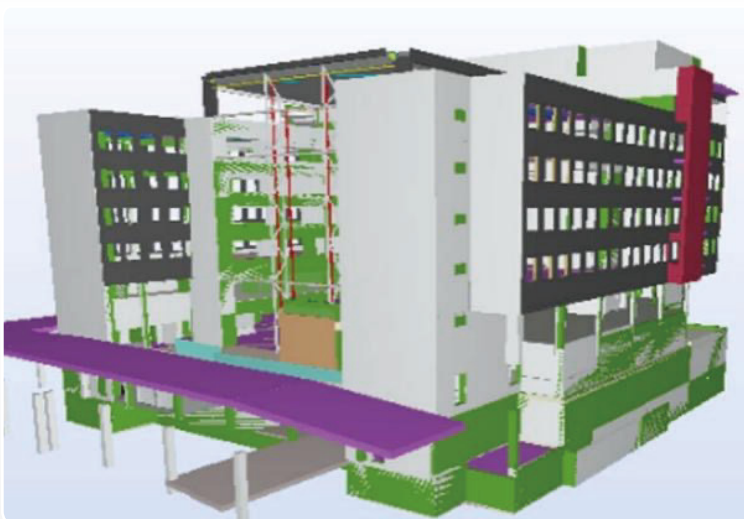


Image: EQUA Sensus system applied to Fennia Office Building, Helsinki renovation. Ceiling heating/cooling panels, integrated to Sensus-system, were carefully dimensioned and positioned, resulting in improved comfort and 25-35% energy savings compared to the tradition system.

# Biodiversity Protection

Committed to the Convention on Biological Diversity, the Post-2020 Global Biodiversity Framework, and the EU Biodiversity Strategy for 2030, Glodon has been innovating smart ecological theories and boosting digital tech application in energy, environmental protection, and ecological management. Our focus lies in developing intelligent services for precise ecological data monitoring, decision support, and R&D of intelligent environmental equipment, as well as meeting green demands such as pollution and emission reduction, and ecological restoration. We are identifying viable pathways and benchmark cases for ecological restoration, contributing to ecological governance and biodiversity protection.

We have innovated smart ecological governance tools by developing a comprehensive ecological health indicator system, reviewing 168 systems and 837 indicators globally with expert teams. Our pilot project, the Guangyang Island Ecological Health Indicator System, has successfully enabled dynamic ecological health assessments. Leveraging modern technologies such as cloud computing, big data, IoT, and BIM, we've constructed a digital twin platform for ecological models, which could integrate diverse ecological and management data, facilitate ecological monitoring, simulation, evaluation, and management. As a result, we're advancing the integrated, intelligent, and scientific preservation of diverse natural landscapes, including mountains, rivers, forests, fields, lakes, and grasslands.

In December 2023, we formed a strategic partnership with the Ecological Environment Smart Governance Technology Innovation Center of Yunnan Province, concentrating on lake and water eco-protection, soil remediation, waste treatment, and carbon neutrality, propelling smart ecological governance innovations.

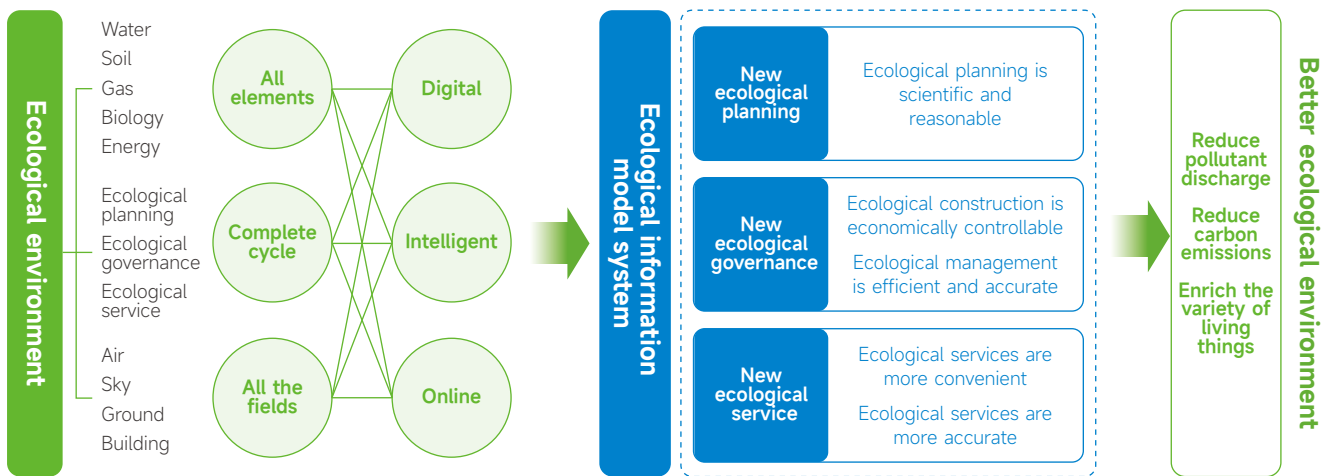


Image: Glodon pioneers an intelligent pattern of ecological development that encompasses all relevant elements, lifecycle and fields, utilizes digital, internet and intelligent means to offer sound ecological plans, governance and services.

## Case

### **Chongqing Guangyang Island Ecological Restoration Selected as one of the UN World Ecological Restoration “Mountains and Rivers Projects”**


Recognized by the United Nations as one of the Top Ten World Ecological Restoration Flagship Projects, the Mountains and Rivers Projects play a significant role in preventing and reversing the degradation of natural spaces globally. In 2023, the Chongqing Guangyang Island Ecological Restoration Project was selected as one of the first 15 exemplary cases for the Mountains and Rivers Projects and was recognized as the 2023 IDC China Sustainable Development Pioneer Case.

As a part of customized ecological restoration efforts, Glodon has crafted an intelligent ecological governance platform for Chongqing Guangyang Island, tailored to its specific conditions and featuring advanced ecological alarm and management capabilities. The initiative has led to a more than 20% enhancement in environmental indices, elevated certain water bodies to Class II quality, and achieved a milestone of zero environmental pollution incidents. Furthermore, it has fostered a 15% increase in ecological health and a 6% rise in Guangyang Island's ecological value index, markedly contributing to the natural environment's enhancement.

## Case

### **Tailored Tower Crane for Construction at Significant Cultural Heritage Sites to Minimize Environmental Impact**

In September 2023, in a construction project in the core area of Beijing, Glodon applied tower crane anti-collision technology. Special designs were implemented for prohibited zones within the project area, including areas with ancient locust trees, quadrangles, historical buildings, and hutongs. This ensured construction efficiency while preventing tower cranes from encroaching on protected areas and disturbing the ecosystem. It effectively safeguarded the surrounding community and ecological environment of the construction project.



In 2023:

The total investment in employee training and welfare was

**40.4191 million** yuan

Overall customer satisfaction scored

**88.1**

Glodon hosted or co-hosted

**118**

industry summits, forums, and conferences

**92.6%**

of suppliers signed a social responsibility commitment

Glodon organized

**8**

public welfare activities

# GOODWILL

Glodon has embedded openness and mutual benefit into the corporate core values, operating under the principles of respect, care, and collective progress. The Company earnestly collaborates with employees to create value; facilitates customers' digital transformation through superior service and reliable products; aims for inclusive growth and the diversified prosperity of the industry; and strives for a harmonious, equal, and inclusive society, maintaining a friendly and sincere approach toward all stakeholders as we move towards a better future.

## Sustainable Development Goals



# Diversity and Inclusion

Glodon places importance on the diverse and sustainable development of talent, fostering joint growth of employees and the Company. We respect and safeguard employees' legitimate rights, enhance their welfare, care for their health, and create an environment of equality and respect.

We place paramount importance on human rights, rigorously upholding international labor standards including *the Equal Remuneration Convention*, *the Discrimination (Employment and Occupation) Convention*, and *the Forced Labour Convention*. In alignment with local laws, we have instituted comprehensive labor management systems, such as *the Recruitment Management Regulations*, to ensure adherence to compliant employment practices. Central to our approach is the commitment to transparent, equitable recruitment processes, fostering fair competition, and applying consistent, merit-based selection criteria. We are committed to adhering to the bottom line of compliant employment and talent management, advocating for open recruitment, fair competition, and unified selection criteria, and recruiting based on merit. We treat employees of different nationalities, ethnicities, races, genders, religions, and cultural backgrounds equally.

We are dedicated to fostering an environment of equality, diversity, inclusion, and harmony, and spare no efforts to enrich team diversity and promote opportunities for women and ethnic minorities. In 2023, the Company provided 1,874 job opportunities to the society. By the end of 2023, the workforce includes 4,090 female employees, accounting for 39.52% of total employees, alongside 885 ethnic minority employees, accounting for 8.55% of the total workforce, representing 18 ethnic groups in China.

In international operations, we strictly comply with local laws and international conventions, implementing localized management for overseas businesses. In 2023, the proportion of localized employment in overseas subsidiaries reached 100%.



## | Employee Rights and Welfare

We proactively align with the conventions and initiatives set forth by the International Labour Organization (ILO), and adhere to the personnel laws and policies of our operational locales, with a steadfast commitment to respecting and safeguarding human rights. We've established a robust framework for protecting our employees' legitimate rights, unequivocally banning child labor and all forms of forced labor. Our policies against discrimination and harassment are incorporated in *the Employee Handbook* and our *Employee Red Line Policy*. Moreover, our overseas subsidiaries have enacted a *Code of Conduct* that elucidates our stance on fairness, inclusion, and human rights. We mandate all employees, regardless of their location, to uphold these policies, offering them the ability to anonymously report any concerns or potential misconduct via online channels. We guarantee protection for whistleblowers against retaliation, ensuring every complaint is addressed with utmost fairness, urgency, and confidentiality. In 2023, we recorded no incidents of child labor, discrimination, forced labor, or any other forms of human rights violations.

We always adhere to the concept of democratic management and attach great importance to the openness and transparency of information. Through the creation of the *North G Star* internal forum and the organization of *BOSS Dialogue* and other executive dialogue activities, we share with our employees important information such as our operation status and development plan in a timely manner to ensure that they fully enjoy the right to know and supervise. The company continuously improves the system and mechanism for employees to participate in corporate governance, regularly convenes staff congresses, and actively encourages employees to put forward valuable opinions and suggestions and participate in the company's decision-making process.

We also widely collect employees' opinions and suggestions through diversified channels, actively respond to and resolve their reasonable demands, and strive to create a fair and harmonious working environment for employees. Meanwhile, we organize annual surveys on employees' career happiness to gain an in-depth understanding of employees' needs, work status and expectations, and on this basis, we continue to enhance employees' sense of identity and belonging, and promote the common development of employees and enterprises. In 2023, the company's "Occupational Happiness" and "Sustainable Dedication" research samples covered 76% of employees. According to the survey results, 74.9% of employees are happy in their careers, and 89% are sustainable and engaged. We selected 42 companies for benchmarking analysis, formulated plans to enhance employees' career happiness, and will regularly publicize them in internal forums.

### In 2023 :

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Labor contract signing Rate:

**100%**

Maternity Leave Utilization and Return-to-Work Rate:

**100%**

---

## Employee Benefits

We promote employee work-life balance, enhancing our workplace by developing open leisure areas to create a comfortable and convenient office experience. We enrich our employees' leisure time, boost team vitality and cohesion, and extend employee benefits beyond the statutory requirements. We are committed to caring for and addressing our employees' life needs, striving to improve their sense of achievement and belonging, and creating a joyful workplace.

As of the end of 2023, there were:

**5,000+**

employee union members

**7** cultural and sports association,

hosting more than **200** cultural and sports events

In 2023 :

Our Family Welfare Fund extended condolences and support to

**135** employees and their families,

with a total **1.39 million** yuan in aid

Expenditures on employee health checks **2.72 million**

yuan, employee business insurance **7.18 million** yuan ,

employee cultural and sports activities **0.39 million**

yuan, and holiday benefits **9.65 million** yuan



Image: Lessons at Glodon's Yoga & Dance Club



Image: Employee Basketball Game



Image: Employee Jogging Event



Image: Flower Arrangement Event on Dragon Boat Festival



Image: Therapists from the Shaanxi Provincial Academy of Traditional Chinese Medicine provide employees with a charitable medical consultation

## Building a Strong Foundation for Safety and Well-being

### Smooth Onboarding

Guided orientation, comprehensive services, transparent compliance

### Complete Protection

Comprehensive packages of six social insurance and one housing fund and archival services

### Convenient Commuting

Shuttle services, free parking, accessible charging facilities

### Dining Convenience

Meal subsidies, healthy cafeteria options, convenient break areas

### Secure Housing

Assistance with public housing applications, rental discounts, support with household registration

## Prioritizing Employee Health

### Extensive Health Benefits

Supplementary medical insurance coverage

### Ongoing Health Assessments

Employee physicals, health seminars, traditional Chinese medicine consultations, psychological counseling

### Diverse Club Activities

Seven clubs in Glodon for enriching leisure activities

### Warm Holiday Celebrations

Birthday greetings, traditional holiday bonuses



## Caring for Employee Families

### Family Support Fund

Assisting employees and their families during challenging times such as major diseases, major disasters and so forth

### Flexible Time Off

Statutory and company welfare holidays, promoting work-life balance

### Exclusive Benefits

Children's insurance plans, family-friendly consumer loan rates

## Fostering a Pleasant Environment

### Thoughtful Facilities

Gym, shower rooms, nursing rooms, health centers, employee library

### Supportive Services

Air quality monitoring, holiday foster care programs

### Flexible Work Arrangements

Flexible hours, supports to remote working during bad weather

# Growth and Development

We highly value talent resources as a vital strategic asset, and thus, developing a robust talent management framework anchored in an inclusive and forward-thinking talent strategy. This approach not only attracts a diverse pool of talents but also fosters a culture of meritocracy. Through our comprehensive, multi-tiered talent development system, we enhance our employees' professional competencies, providing clear pathways for career advancement. Our goal is to cultivate an excellent team that thrives in efficiency, collaboration, and innovation.

## | Talent Training

We are dedicated to enhancing the training and development of our talent by offering a diverse range of training options tailored to meet the growth needs of our employees at every career stage. This commitment fuels their progress and personal development.

With a focus on results-driven training, we have implemented the *Glodon Training and Development Management Measures* to align training efforts across all business sectors. Our diverse training portfolio includes targeted initiatives such as the "Thousand-Person Junior Training Plan" and the "General Manager Training Program". In addition, we conducted cultural and professional skills training for campus recruits, with over 100 senior executives personally delivering lectures to help new employees integrate into the company quickly.

We continue to offer quality training by customizing upgrades and expansions to our courses, aligning them with evolving employee needs identified through interviews and surveys. In 2023, we launched 11 micro-courses for young cadre training programs, updated 7 grassroots cadre training courses, and continued to monitor the training effectiveness. We integrate rich internal and external training resources to learn advanced experiences and methods, inviting professional external lecturers as supplements. We arrange for senior management personnel to participate in external training programs such as the "Tushu Learning Alliance" to expand their perspectives comprehensively and strengthen their job capabilities.

In 2023 :

Total investment in employee training:

**21.47 million** yuan

Employee training investment per million in

revenue: **3,290** yuan

Average training hours per person:

**17.6** hours

Average training investment per person:

**2,074.60** yuan

Training satisfaction rate:

**94.89%**



Image: In the special event for the development of quality personnel in 2023, the experienced employees with rich practical experience and professional knowledge served as instructors in a training session, providing comprehensive analysis of quality management methods. During the seminar sessions, female participants actively shared their learning experiences and personal insights, inspiring all participants to collectively reflect and progress.



Image: General Manager Training Program



Image: 2023 Mid-year Manager Training



Image: Training Plan for Graduated Students



Image: 2023 Young Leader Training



Image: Compulsory Courses for Junior Managers

## | Career Advancement

As talents function as the source of sustainability, we attach importance to employees' career development. Our strategy encompasses a comprehensive development and learning ecosystem, evolving into a self-driven career framework that features "job qualifications, learning map, and employee development." Our talent selection process is democratic, transparent, competitive, and based on merit, underpinned by a digital system that ensures precise and standardized job qualification evaluations. We are dedicated to enhancing our *Performance Management System*, evaluating immediate outcomes and long-term contributions to ensure transparent performance feedback and fair grievance procedures. Our internal honor system, along with support for employees pursuing external awards like "Model Worker", reflects our strategic and cultural focuses of promoting shared growth and mutual benefits.

In 2023 :

Over **90%**  
promotion rate for junior  
employees

Approximately **45%**  
promotion rate for key  
employees

Around **20%**  
promotion rate for senior  
employees



# Career Health and Safety

We place utmost importance on the health and safety of our employees, implementing a rigorous occupational health and safety management system that guarantees a safe and secure work environment. Our efforts to ensure the safety of employees within the facility include the reinforcement of building safety and office management, the standardization of safety protocols, including the development of *the Security and Protection Management Methods*, detailing specific requirements such as the utilization of building access cards and guidelines for minors entering the premises. Through regular risk assessments and control, coupled with regular check and maintenance of equipment and facilities, we strive to substantially reduce the risk of unforeseen events.

Committed to safeguarding our employees' well-being, we prioritize measures to prevent work-related injuries and health issues, emphasizing both physical and mental health. Our efforts include implementing a "Healthy Eating Guide", routine screening for *Escherichia* in cafeteria utensils, and testing for pesticide residues in vegetables to ensure food safety from the source. Prompt sharing of inspection results guarantees the safety of employee meals. Additionally, we've established a dedicated health corner equipped with wellness equipment and informational resources, such as videos and posters covering topics from first aid to health benchmarks. Regular safety-focused events, including complimentary health clinics with esteemed health professionals and traditional Chinese medicine therapists from the Shaanxi Provincial Academy of Traditional Chinese Medicine, promote a culture of healthy living and comprehensive care for our employees' well-being.

In our commitment to emergency preparedness, we've prepared detailed response plans covering emergency organization, communication, on-site management, medical assistance, and safety measures. Employees undergo training in key safety areas including fire prevention, natural disaster readiness, and emergency evacuation procedures to increase their awareness and readiness. Regular emergency drills, featuring scenario-based simulations, skill training and hands-on practice, aim to enhance our staff's self-rescue capabilities, ensuring they can effectively respond to emergencies such as fires.





Image: We create a "health house" equipped with health management facilities such as intelligent health detection machine for employees.



Image: Health lectures and first aid training organized by Glodon

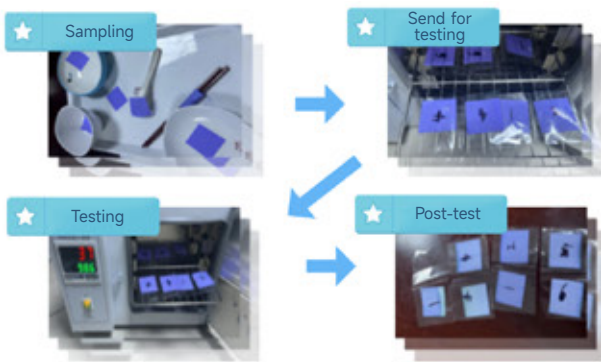


Image: We provide hygiene tests of dining hall tableware every week, and publicize the test results.



Image: Fire Prevention Drill



# Customer Relationship Management

At the management level, we have established a closed loop from “getting closer to customers” to “product improvement”, forming a strengthened “end-to-end” positive cycle. We maintain the mindset of “being even closer to customers, letting frontline voices be heard”, deeply understanding customer needs. We offer various service channels such as telephone hotlines, online customer service, and intelligent service assistants to rapidly address customer inquiries, and thereby, earning customers’ lasting trust and recognition.

We optimize the customer experience by improving the “iron triangle” marketing system, which means representatives from sales, interaction and solution groups form the smallest service team and effectively addresses customers’ diverse business forms and complex needs through comprehensive and efficient responses. By refining customer relationship management processes, we assist customers in identifying and resolving problems, maintaining professional service and delivering expert solutions throughout the pre-contract, during-contract, and post-contract stages. We help customers enhance their staff’s digital capabilities and nurture professional talents, offering long-term and responsible services such as product usage training and standardized operation guidance.

To improve the complaint response mechanism, we formulate *the Standardized Guidelines for Defect Feedback*

*Management* and centralize customer feedback in a management library, categorizing and clearly defining response and resolu times. We conduct a thorough analysis of defect root causes to devise improvement plans. We updated *the Complaint Management System*, specifying complaint management processes, responsible departments, and response times, ensuring “general complaints” are responded to within 4 hours, resolved within 5 working days, and followed up within 3 working days post-resolution. We proactively intervene in the types of problems where the number of complaints is on the rise to improve the quality of service.

We listen to the voice of our customers, enhance the comprehensiveness and scientific nature of satisfaction surveys, continuously optimize survey methods, collaborate with third-party research institutions, and utilize quantitative telephone interviews to conduct surveys. We objectively understand customer sentiments through satisfaction models, NPS models, and other means. In 2023, we surveyed 5,188 customers, with overall satisfaction, service satisfaction, and product satisfaction increasing by 0.1, 0.7, and 0.3 points respectively compared to the previous year. A satisfaction management closed-loop system has been established, accurately identifying directions for enhancing customer satisfaction based on survey results, developing optimization strategies, and forming replicable experiences to create a value closed-loop for customers.

## In 2023 :

Overall customer satisfaction:

**88.1** points

Service satisfaction:

**90.8** points

Product satisfaction:

**87.7** points

Complaint resolution rate:

**100%**

Complaint follow-up rate:

**100%**

Intelligent customer service addressed

**4.73 million** queries

## Case

### Empowering Customers to Build a Digitally Skilled Workforce

On September 28, 2023, a team of over ten professional trainers from Glodon provided training on its low-code development platform for the 14th Engineering Bureau of China Water Resources and Hydropower Corporation, aiming to help them form a digital research and development team. The trainer team delivered well-planned and detailed empowerment services, covering 14 professional courses including demand management, R&D management, and test management, totaling 66 course hours. The training effectiveness was verified through in-class exams, homework, and practical applications. Ultimately, all 17 trainees passed the assessment and, within just two months, successfully developed five modules and 20 classes of forms for the marketing system, including customer management, tracking management, and bidding management. Glodon's training and empowerment services have significantly enhanced the customers' digital capabilities and accelerated their innovation breakthroughs based on their intellectual property rights.



Image: Glodon employees are giving a training session to customers

***“Thank you for adhering to the principle of technological leadership and customer priority, enabling your staff to have a good sense of service and skills, and operating strictly in accordance with your company’s service standards and procedures.”***

***— Appreciation letter from the Xiong’an Municipal Road Electromechanical Project***

# Product Responsibility

We consider “Customer Success” as the most critical component of our strategic system. We iteratively update our products based on customer value, using digital methods to tackle the pain points in construction engineering. We also implement a series of quality control measures to ensure the safety and stability of our products. We are committed to providing customers with convenient, efficient products, and high-quality, reliable services.

## | Assisting Customer Success

From the customer value perspective, Glodon has set the “second entrepreneurship” goals, breaking them down into product-level, scenario-level, and function-level objectives, ensuring the effective implementation of customer’s strategic goals. This guarantees the effective implementation of our company’s strategic goals, establishing a seamless closed-loop process encompassing multi-level customer success indicators, precise identification of customer needs, and efficient delivery of customer value, supporting the goal of “making every project a success” from strategic, managerial, and practical levels.

We are dedicated to creating customer value, using digital means to deconstruct the complexity of engineering projects, integrating progress and cost control, safety, and quality management throughout the process of project management. By focusing on the “human, material, equipment, method, and environment” elements of engineering projects, we collaborating with customers to create transparent, standardized, and efficient quality projects, featuring the intelligent scheduling of equipment, refined material management, minimized safety risks, [and greener energy consumption of buildings](#) (See p26 for details on how our products and technologies reduce carbon emissions).

### Glodon’s Second Entrepreneurship Goals: Making Every Project a Success

<p><b>Speed up project progress by 20%</b></p>	<ul style="list-style-type: none"> <li>• Benchmark projects achieve a 20% increase.</li> <li>• Implement refined control of project progress.</li> </ul>
<p><b>Reduce carbon emissions by 50%</b></p>	<ul style="list-style-type: none"> <li>• Benchmark projects cut emissions by 50% compared to similar projects.</li> <li>• Accurately measure carbon emissions.</li> </ul>
<p><b>Reduce costs by 1%</b></p>	<ul style="list-style-type: none"> <li>• Increase profit margins for benchmark customers by 1%.</li> <li>• Implement refined control of project costs.</li> </ul>
<p><b>Improve quality and safety levels in 80% of large-scale projects</b></p>	<ul style="list-style-type: none"> <li>• Achieve zero major safety and quality incidents in 80% of large-scale projects.</li> </ul>

## Case

### Enhancing Proactiveness in Tower Crane Safety with Intelligent Solutions

To address common safety issues in tower cranes, such as overloading and blind lifting, Glodon introduced solutions like tower crane monitoring systems and hook visualization systems. Utilizing sensors and controllers, these solutions effectively prevent and mitigate safety incidents like collisions and skewed lifting, digitizing and systematizing tower crane safety management to ensure on-the-ground implementation of management actions and effectively prevent safety liability risks.

By the end of 2023, Glodon's self-developed intelligent hardware, including tower crane safety monitoring and management systems, hook blind zone visualization systems, and intelligent tower crane monitoring systems, had been integrated with over a hundred provincial, city, and district-level smart construction site supervision platforms, significantly enhancing on-site safety. The pilot phase of the tower crane intelligent control and dispatch system is set to transform the harsh working conditions of crane operators at heights, shifting from crane operators above to safety dispatchers below, potentially preventing 70%-80% of safety incidents caused by human factors during the lifting process.

## Case

### "Indicator Analysis + AIOT Technology" Refines Material Management

Glodon's intelligent material solution service empowered China Communications Construction Group Co., Ltd. ("China Communications Construction") to control all materials and aspects of their projects, grounding corporate decisions in solid evidence and enabling practical management application. By leveraging artificial intelligence for complex steel reinforcement and pipe counts, efficiency was boosted tenfold. The integration of Internet of Things (IoT) and business processes led to a 3% cost reduction in materials, halved the need for inspection personnel, and achieved an 80% surge in inspection efficiency, a 75% increase in accounting efficiency, and a 90% boost in control efficiency. The utilization of a big data platform, merging basic data like a unified material dictionary and supplier directory with automated onsite data collection and analysis, fortified decision-making support.

In November 2023, China Communications Construction's "Indicator Analysis + AIOT Technology in Refined Material Management" was honored as an exemplary case at the 2023 "Digital Intelligence Award" by the China Communications Group.

## Case

### Digital Safety Management Strengthens Safety Standards in Urban Construction

Engaging with Chengdu Rail Transit City Investment Group's public transportation-focused development projects, Glodon implemented a digital engineering management system tailored for digital safety management across 21 critical safety domains, including major engineering works and hazardous operations. This system significantly improved the breadth, standardization, and timeliness of safety management in engineering projects through meticulous safety inspections and briefings.

By year-end 2023, the system had resulted in the establishment of 199 safety hazard inspection protocols and 11 standards for dangerous operations, kick-starting 23 projects, performing 801 safety inspections weekly, and 36 monthly, identifying 9,840 safety hazards, initiating 317 critical project alerts and 2,101 hazardous operation warnings. It ensured 100% process control online, effectively mitigated over 2,000 safety risks, and achieved a hazard rectification rate surpassing 98% quarterly, thus elevating safety standards for building thriving cities.

## Case

### Energy-efficiency Experts Enerz Oy Reduce the Carbon Footprint of Buildings with Help From MagiCAD

MagiCAD helps Enerz Oy in several building design and optimization projects, facilitating energy consumption management throughout the building lifecycle. In 2023, Enerz Oy carried out a large-scale energy conservation project at Ideapark, Finland's largest shopping center, aiming to cut municipal heating use by 50%. The project featured the replacement of outdated chillers with modern air-to-water heat pumps and the outfitting of air handling units with cooling coils.



Image: Ideapark, situated in Lempää, Finland

*“Heating energy use in the shopping center will be reduced considerably with the implementation of an intelligent demand-controlled system.”*

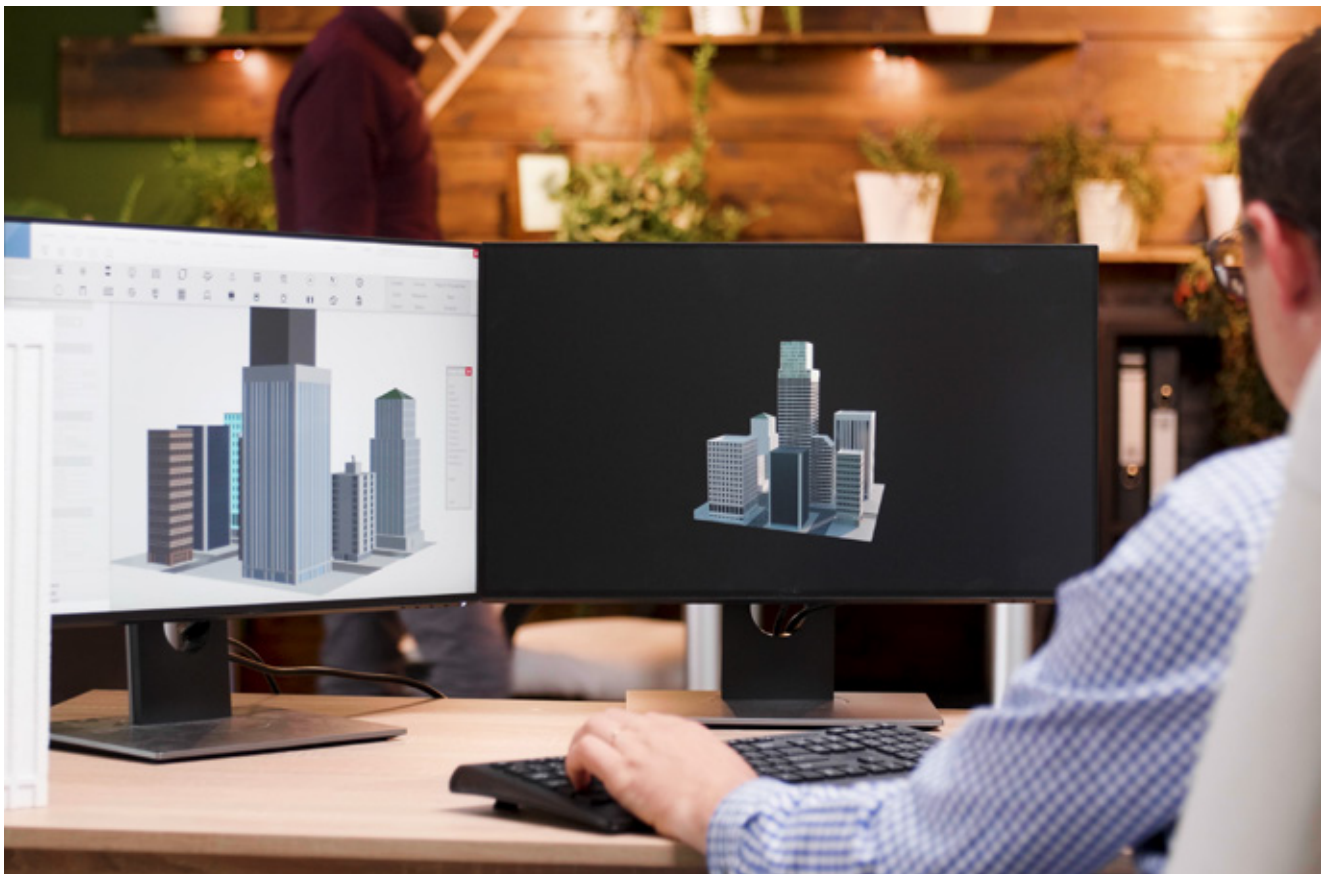
— Enerz Oy Design Manager Toni Myllyniemi

## | Rigorous Product Quality Control

With the belief that quality is the cornerstone of customer success, we establish the Quality Management Committee and develop *Quality Red Line Management Standards*, tailoring quality benchmarks for each product, project, and version to raise quality awareness among all employees, minimize quality-related risks, and guarantee the delivery of safe, dependable products to our clients.

In the product development phase, we intensify quality assurance measures before each version release, conducting reviews and validations against set quality criteria. We also classify and manage development defects to ensure each bug is adequately resolved and conduct in-depth root cause analyses.

Throughout the product operational phase, we rigorously enforce business continuity management, implementing multiple software and hardware safeguards. A clustered, multi-node deployment strategy for software is utilized to ensure data reliability. Systems are designed with inherent service recovery capabilities to ensure stable operation, complemented by robust server resources and a secure infrastructure environment to mitigate server downtime risks from external disruptions. Emergency recovery plans are in place for unexpected situations like power outages, communication breakdowns, and server failures.



# Catalyzing Industry Progress

Vigilantly monitoring the evolution of frontier technologies within the industry, we capitalize on our extensive digital building service expertise to accurately interpret the industry's dynamics and amalgamate its collective intelligence. We share our knowledge and insights on digital transformation, engaging in collaborative research and exploration with diverse partners to cultivate an open, win-win ecosystem. Together, we are propelling the industry into a groundbreaking phase characterized by digitalization, intelligence, and BIM integration.

Drawing from our rich reservoir of R&D innovation, we consistently enhance the performance of our products, thereby fueling their evolution. By constructing and managing our own buildings, we methodically apply new technologies, products, and models within the engineering realm, identifying and honing viable solutions. In alliance with strategic partners, we set benchmarks in digital construction, steering the digital transformation and elevation of the entire sector.

## | Elevating Our Technology

We are dedicated to R&D and technological advancement, with research investments averaging 31% of our annual revenue in recent years. We invest in pivotal technological areas such as BIM, graphic modeling, cloud computing, big data, IoT, and artificial intelligence. We boast a fully self-developed 3D graphics platform engine, securing its intellectual property rights and achieving a global leadership position among related technologies. We actively pursue patents and safeguard our intellectual achievements. By the end of 2023, Glodon has acquired 358 authorized patents, 621 registered trademarks, and 902 software copyrights. Leading multiple national key scientific projects, we foster integrated innovations across industry, academia, and research, addressing major industry challenges with our exceptional technical prowess and facilitating the conversion of scientific advancements.

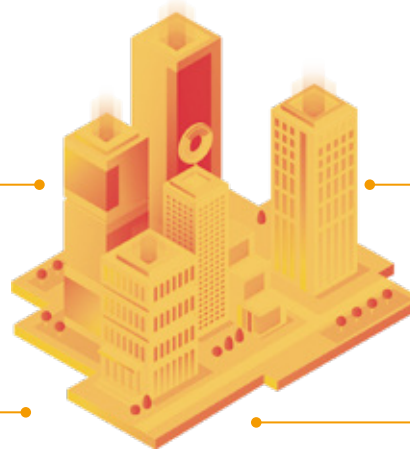


## BIM/CIM Technology

- Computer graphics
- 50+ formats supported for BIM/GIS
- 20,000+ developers on our platform

## IoT Technology

- Industrial IoT platform
- 90+ types of devices
- 300+ partners
- 70,000+ devices online
- 100 million data processed daily



## Industry AI

- Top talents
- Focus on AEC industry
- 80+ intelligent use cases

## Big Data

- Multi-source data from the industry
- Petabyte-scale distributed data storage
- 1,000+ industry data models
- Ten-fold increase in development efficiency

Technology forms the cornerstone of our operations. We have eight R&D centers across five countries to support core technology innovation and upgrading, and five innovation hubs in China to endorse parallel exploration and validation. Our self-developed initiatives deeply integrate digital building theory into practice. In 2023, the inauguration of our Sweden R&D center and the completion of Glodon's Smart Construction and South China Headquarters Base, a benchmark digital construction project built by our self-developed graphics platform, leveraged regional resources to bolster our innovation and competitive edge. Strengthening ties with local academic and research institutions allows us access to top-tier scientific talent and support, enhancing our overall technological capabilities.

We emphasize strategic planning in our R&D efforts, and establish the R&D Management Committee to oversee significant decisions related to the strategy, development, and execution of the Company's R&D systems. Since 2022, the adoption of the Domain-Driven Design (DDD) methodology has significantly increased our systems' adaptability and scalability. Utilizing our long-standing technical foundation and talent pool, we pioneer in emerging technological fields to expedite the innovation of digital building software.

Our commitment to fostering an inventive organizational culture creates a nurturing environment for R&D and creativity. With a people-centric approach, we continually refine our internal digital product research tools, communication platforms, and reward mechanisms, and boost global collaboration, innovation, and R&D productivity, thereby inspiring employee creativity and proactivity. The 10<sup>th</sup> Glodon Global Hackathon in 2023 had 98 participated teams, resulting in 10 distinguished project awards and 7 notable individual accolades. We are dedicated to R&D team building through recruitment of more doctoral candidates from premier global institutions and support given to product researchers, thus ensuring our team's steady development. By integrating quality resources and inviting industry-leading experts as consultants, we ensure our product development efforts align seamlessly with customer value.

## In 2023 :

R&D expenditure accounted for

# 30.09%

of total operating revenue

R&D personnel accounted for

# 38.04%

of our total workforce

Established

# 4

joint laboratories with universities

Filed a total of

# 138

patent applications, all of which are for inventions

Granted a total of

# 59

patents

# 58

of which are for inventions

Registered

# 88

software copyrights

# 0.013

copyrights per million in revenue

## Case

### Research of Glodon's "Future Building Digital Twin Technology Innovation Center" Published by SCI Journal *Automation in Construction*

The Future Building Digital Twin Technology Innovation Center led by Glodon set a new benchmark in the fusion of industry, academia, and research, delivering outstanding innovations. The Center's innovation mechanism, characterized by its enterprise-centric, market-driven approach and deep integration across sectors, has led to the development of latest generation of smart construction technologies and products. The Center has achieved breakthroughs in three critical areas: AI-aided planning, AI-optimized construction scheduling, and advanced on-site networking for smart construction sites. Furthermore, it has introduced three innovative products: AI-powered master planning, AI-based reverse modeling, and 360 Smart site inspection. These pioneering efforts have been published in the prestigious SCI journal *Automation in Construction*, and applied across various projects.



Image: Expert meeting to assess research results

Case

### Digital Building Software Laboratory of the National Center for Digital Construction Technology Innovation Makes Breakthroughs in Innovation

As a co-building partner for the National Center for Digital Construction Technology Innovation in China, Glodon led the establishment of the Digital Building Software Laboratory at the end of 2022. The lab focuses on breaking through key technologies in the digitalization process of the construction industry. It aims to establish a digital building software system architecture based on Model-Based Systems Engineering (MBSE). Research focuses include the integrated management PaaS platform of digital projects based on systems engineering, and Software for Intelligent Design and Construction Integration for Industrialized Construction and Integrated Carbon Emission Software for Green Building Materials and Low-Carbon Construction, propelling the digital transformation and upgrade of the construction industry.

#### Glodon’s key R&D achievements in 2023 are as follows:

- The official release of the Glodon Business Platform, providing new tools for global digital building developers.
- Actively exploring the construction domain’s knowledge-augmented AI large model, AecGPT, and launching the engineering education software *Tian Tian Xiang Shang (Progress Every Day)*, making AI assistants an aid for construction professionals.



Image: Glodon AI assistant answers construction-related questions for users



Image: The official release of the Glodon Business Platform

## Case

### Enhancing the Tech Capacities of Road, Bridge, and Tunnel Designers with BIM Technology

Glodon's *Road, Bridge, and Tunnel BIM Design Software* caters specifically to designers in these sectors, emphasizing scheme and construction drawing design that aligns with Chinese design practices and standards. This integrated BIM solution enables seamless collaboration and data interoperability of three connected subsystems for roads, bridges, and tunnels. By the end of 2023, the software has been thoroughly validated and applied in 92 projects by 74 design agencies across 18 provinces and cities in China. It adeptly meets the intricate design requirements of complex, multidisciplinary road, bridge, and tunnel projects, from conceptualization to detailed construction drawings.

## Case

### Digital Application of BIM Throughout the Entire Process at Glodon's South China Headquarters Base

The Glodon Smart Construction and South China Headquarters Base project exemplifies multi-disciplinary collaborative design, spanning architecture, structure, landscaping, and beyond. This project integrates design management, calculation, construction, operation and maintenance within a self-developed BIM framework, achieving unparalleled graphics and business interoperability. Employing IoT, AI, big data, and other smart construction technologies, it enhances intelligent site management, focusing on time, space, and personnel within the BIM model to support decision-making, visual project management and efficient operation.

***“The Glodon BIM Platform Software excels in fulfilling the majority of business needs during the project lifecycle, setting an industry standard for widespread adoption.”***

**— Recognition from the experts for the Digital Application of BIM Throughout the Entire Process at Glodon's South China Headquarters Base**

## | Showcasing Our Digital Expertise

Drawing on years of digital innovation, Glodon has convened influential scholars, experts, industry regulators, and entrepreneurial leaders to forge pathways for digital transformation within the construction sector. Our commitment to sharing insights and experiences in digital technology aims to ignite a sector-wide digital awakening. By participating in the development of industry standards, we advocate for the standardization of terminology, contributing our knowledge and expertise towards the high-quality growth of the construction industry. In 2023, Glodon's involvement in the construction of China's Digital Housing and Urban-Rural Development standard system was recognized by the leading departments.

### In 2023 :

Contributed to **12** national standards,  
**7** industry standards,  
and **32** group standards in China

Engaged with  
**8**  
industry associations

Engaged with **4** industry alliances,  
hosting **13** alliance events

Organized and co-hosted  
**118**  
industry summits, forums, and conferences

Participated in  
**35**  
industry summits, forums,  
and conferences

Released  
**10**  
industry reports and white papers





Image: Glodon leverages the role of industry monographs, white papers, and reports as a reference for the digital transformation of construction enterprises. In 2023, Glodon published *Systematic Digitalization*, a groundbreaking monograph on digital transformation, alongside the inaugural issue of *Digital Building* magazine and industry white papers, including *Digital Design 2023*.



Image: Through a strategic partnership with China Construction News, Glodon initiated a talk show series on digital building to foster dialogue and exchange among industry opinion leaders and practitioners. In 2023, the series published 28 issues covering pressing topics related to industry and corporate transformation, gaining 6.02 million views and featuring contributions from 47 representatives across industry, government, academia, and research.



Image: Glodon’s Digital Construction Lecture underwent a brand enhancement to become an elite learning platform for industry professionals at the mid-to-senior level. Over 150 courses and more than 160 events, including online lectures, corporate training, educational tours, and live thematic broadcasts, were launched in 2023.



Image: Glodon has hosted the China Digital Building Summit for 14 consecutive years, making it a premier forum for the exchange of digital transformation ideas. The 2023 summit, themed “Systematic Digitalization: Driving Value Upgradation across the Industrial Chain”, was held in Xi’an from June 8 to 10, drawing over 3,500 attendees, including think tank experts, scholars, regulatory officials, entrepreneurs, and corporate delegates.

## Case

### Glodon Releases the Construction Industry's First Monograph on Digital Transformation: *Systematic Digitalization - The Breakthrough Approach to Digital Transformation for Construction Enterprises*

In September 2023, Yuan Zhenggang, Chairman and President of Glodon, announced the release of *Systematic Digitalization - The Breakthrough Approach to Digital Transformation for Construction Enterprises* at the China International Fair for Trade in Services (CIFTIS). This landmark publication, the first of its kind in the construction industry, explores the digitalization challenges faced by construction enterprises. It introduces the concept of "Systematic Digitalization", providing a comprehensive framework for digital transformation and fostering industry-wide consensus for action.

***"The book is distinguished by its unique narrative approach, sharing the digital transformation journeys of construction enterprises through compelling stories of challenges, detours, and successes. It serves as a comprehensive guide for companies new to digitalization, offering insightful analysis and clear methodologies that benefit decision-makers, managers, and IT professionals within the construction sector."***

***—High acclaim from attendees at the book's launch event***



Image: The Book Preview Event of the *Systematic Digitalization: Unlocking the Path to Digital Transformation in Construction Enterprises*

## Sharing Our Achievements

We share our developmental successes with ecosystem partners, dedicated to reducing digitalization barriers and costs. By establishing a data-driven, reliable, flexible and open digital platform for engineering construction, we enhance resource efficiency and fosters an open technological ecosystem. This approach not only meets the unique needs of construction enterprises but also supports ecosystem partners with open platform resources and all-around empowerment, encouraging broader industry participation in digital transformation.

### Case

#### **Building an Ecosystem Together for Mutual Benefit, Jointly Creating a Digital Ecosystem for the Industry**

One of Glodon's IPRs, Glodon Business Platform, was launched on June 9, 2023, employing a "core platform + modular components + ecosystem services" model. It includes advanced development tools, full-code development and low-code development, for prompt response to business needs and rapid adaptation to complex business scenarios.

The Developer Network and Ecosystem Acceleration Program based on the platform, aim to create a synergistic and mutually beneficial industrial ecosystem through capacity and experience empowerment, and shared market resources. By year-end 2023, the platform had welcomed over 200 partners from the fields of project design, project management, and intelligent hardware, enhancing their commercial success and fostering a dynamic digital construction community featuring open platform resources and all-around empowerment.

#### **How can Glodon Business Platform enable every ecosystem developer and client to develop business components and applications tailored to their needs?**

- Platform openness, component openness, and secondary development openness empower customers with ecosystem-building capabilities.
- The development platform is open for third-party developers.
- Component capabilities are open for developers to share Glodon's achievements.
- Secondary development capabilities are open, allowing customers to conduct their own developments.
- No internal-external differentiation, granting third-party developers the same capabilities as Glodon.



Image: Glodon signed contracts with 12 eco-partners the 2023 China Digital Building Summit, accelerating the development of an open and vibrant digital ecosystem for the industry.



# Industry Talent Development

We stayed committed to employing digital methods to train and cultivate competitive industry talent, focusing on the entire career lifecycle of construction professionals and connecting various sectors including colleges, universities, construction enterprises, and industry professionals. We aim to provide talent education solutions for higher education institutions, talent upgrading solutions for the digital transformation of construction enterprises, employment support for college and university students, and job skill assessments for practitioners, thereby achieving comprehensive talent cultivation across the supply chain of the construction industry.

## | University and College Student Cultivation

We believe that universities are the most significant cradles of technological innovation and cultural inheritance. Through charitable donations to universities, we actively advance the innovative development of higher education and make every effort to expand students' access to higher-quality educational resources. As of the end of 2023, we have donated to a wide range of higher educational institutions such as Huazhong University of Science and Technology, Southeast University, Tongji University in Shanghai, and Beihang University in Beijing.

We work to promote collaboration between academia and industry in nurturing talent based on the demand for construction talent in digital building and offer job skills training, expertise assessments, and internship opportunities and other employment support to university and college students. We also strive to combine professional competitions and job skills certifications to achieve seamless integration of jobs, courses, competitions, and certifications for students. Moreover, we actively organize multiple specialized career guidance and networking events targeting the construction sector to introduce more high-quality digital construction talents to the industry.

Based on the position requirements, we keep pace with industry policies, standards, and employment criteria, practicing digital teaching around five aspects: people, courses, venues, methods, and management. By the end of 2023, we have jointly established more than 30 modern industrial colleges with benchmark enterprises and higher education institutions, covering a wide range of emerging specialties related to construction transformation, such as intelligent construction, prefabricated building, green building, and digital building. We provide workshop training projects for graduating seniors and by the end of 2023, we have collaborated with 5 schools and supported nearly 1000 students pass the pre-job professional and employment training, helping them rapidly improve their job capabilities and job-seeking skills.

We jointly work with universities and colleges to develop high-quality courses that integrate the new requirements of digital construction in design, construction, and O&M, creating a curriculum system that spans the entire process of preparation, teaching, practice, examination, and evaluation. In 2023, we worked on a series of 12 intelligent construction textbooks with Higher Education Press. Glodon is dedicated to collaborating with universities and colleges in building high-level and sustainable "dual qualification and dual capabilities" team of teaching staff (this means that the teaching staff should not only hold both teaching qualification certificate and engineer qualification certificate but also be capable

of teaching and engineering practice), and our cooperation also helps develop practical courses specifically for professional teachers to improve their awareness and application of digitalization, so as to advance teaching model innovation and curriculum reform. In this regard, more than 60 free professional courses have been launched, with over 1,025 universities and colleges and more than 5,000 professional teachers participating by the end of 2023.

We greatly encourage students to apply their knowledge and skills in practice through participating in competitions and activities, and we build a competition system for digital construction talent cultivation, establishing a diverse and orderly advanced competition platform spanning from school-level to international levels, promoting teaching, learning, improvement, and construction through competitions. Moreover, two competitions, the National BIM Graduation Design Innovation Competition for University and College Students and the National Digital Building Innovation and Application Competition, were listed in the *National Rankings of Higher Education Discipline Competition* by the Chinese Association of Higher Education. By the end of 2023, this competition system for digital construction talent cultivation covered more than 30 provinces, autonomous regions, and municipalities in China, supporting over 100 provincial competitions annually, organizing six national competitions, and involving more than 1,100 colleges and universities with over 80,000 teachers and students.

We strive to develop vocational skill certification to examine students' vocational competence level and enhance their employability. Assisting the "1+X" project of the Ministry of Education of the People's Republic of China, we are responsible for the assessment of Digital Application for Project Cost Management Certification, aiming to improve students' employability and increase their professionalism to better satisfy the position requirements. By the end of 2023, 41 companies have justified the "Occupational Skill Level Standard for Digital Application in Construction Cost Management" Occupational Skill Level Standard for Digital Application in Construction Cost Management and approved it to be scientific and objective. Furthermore, we work with the China Association of Construction Education to develop the Glodon Informatization Application Skills Certification for Construction (GIAC), which comprehensively evaluates the professional software skills, application experience, and business capabilities of relevant majors in colleges and universities and practitioners in cost management, helping them enhance their employability.



## As of the end of 2023:

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We supported

over **1,800**

construction-related colleges and universities  
in professional talent cultivation

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We introduced

**hundreds of thousands**

of excellent talents to the construction industry

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We have our independently developed digital training platforms

with a total registration of **1,826** colleges,

covering **3,518** teachers

and **147,910** students

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## In 2023 :

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We supported and advanced

the employment of **6,140** graduates

from construction-related colleges and universities,

with **14,802** job positions recommended

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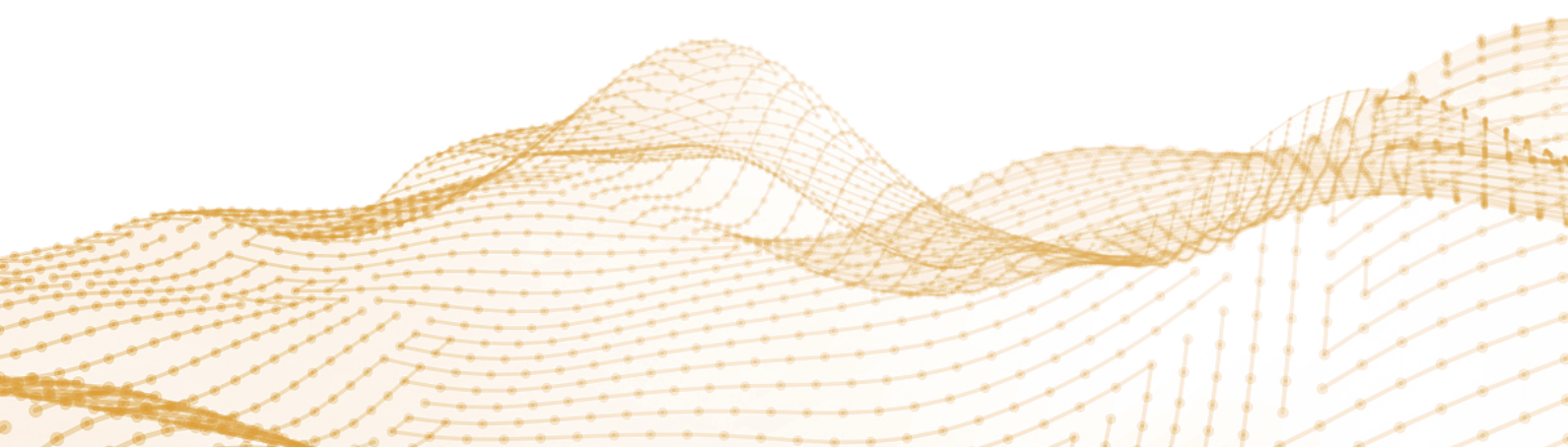
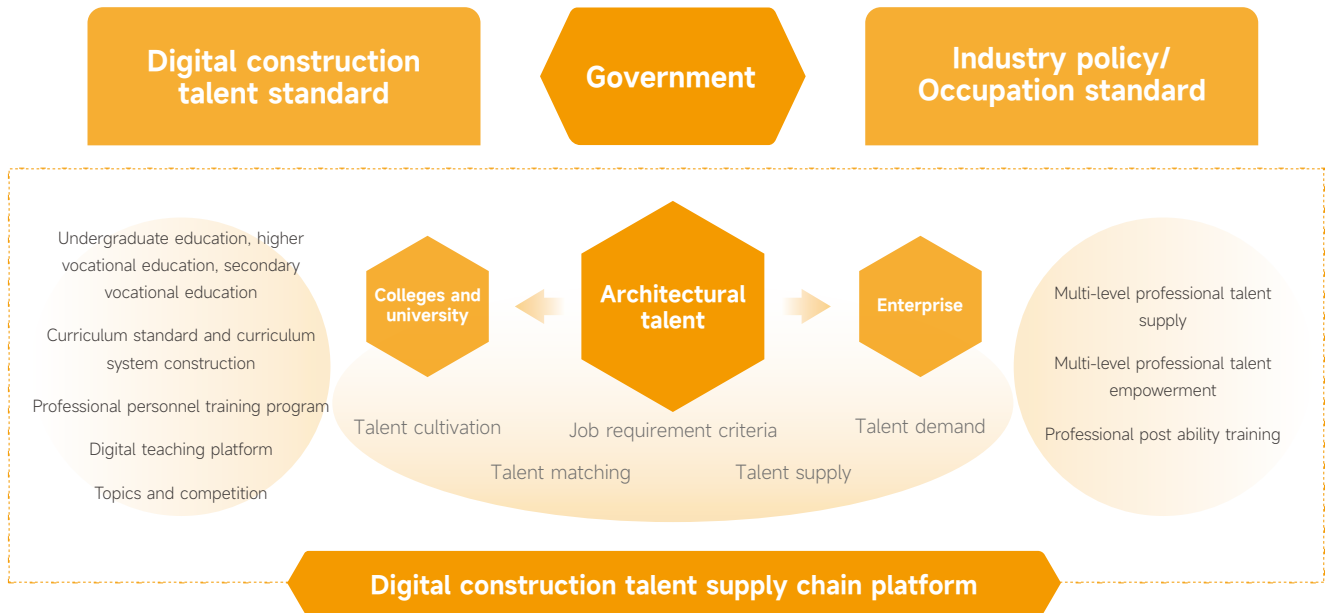
We established

over **50** training bases

with construction-specialized colleges and universities

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## Case

### Establishment of the National Digital Construction Industry-Education Integration Community of China

On October 22, 2023, the National Digital Construction Academia-Industry Integration Community of China, jointly led by Glodon Company Limited, Southeast University, and Zhejiang College of Construction, was officially established with a total of 342 members. The community aims to integrate the industry chain, education chain, and talent chain, collectively building an integrated ecosystem for the digital construction industry to accelerate the extensive integration of the entire digital construction industry chain.



Image: Establishment of the National Digital Construction Academia-Industry Integration Community of China



Image: During the 2023 Global Forum on Science and Technology Development in China, Yuan Zhenggang, Chairman and President of Glodon, delivers a keynote speech on Reflections and Practices on the Development of a Joint Education, Research, and Industry Talent Training System in the Construction Industry. In his address, he shares Glodon's insights into talent development within the construction industry.



Image: Glodon holds public seminars in terms of employment empowerment for graduating students at universities and colleges to facilitate high-quality employment for graduates in the construction industry

## | Professional Training

As an enabler of the digital transformation in the construction industry, we stay committed to supporting the development of construction industry talents. We integrate industry learning resources and provide comprehensive training courses to enhance the expertise and practical skills of practitioners. By advancing professional skill certifications and empowering positions, we attach great importance to talent development so as to promote the overall construction capabilities of the industry, injecting endless momentum into the sustainable development of the construction sector.

We consolidate learning resources for construction practitioners by establishing a social networking community platform *Tian Tian Xiang Shang (Progress Every Day)* APP for communication and learning among project managers. This platform facilitates learning, experience sharing, exchanges, and interaction among users, integrates industry laws and regulations, and excellent case studies of digital construction, and develops an industry AI assistant to address construction-related queries, enabling project managers to learn and grow rapidly. Furthermore, this online course platform offers a variety of high-quality courses, serving 120,000 industry talents and contributing to professional talent development in the construction industry.

Based on demands for industry development, we formulated scientific plans for the growth paths of construction practitioners. We provide enterprise talent assessment solutions on the basis of job competency requirements and scientific assessment criteria. Leveraging accumulated industry assessment data, we customize tests for enterprises and visually compare and analyze assessment result data of tests, so as to provide reference for employee training plans. In 2023, Glodon supported 400 companies in talent assessment, including 100 top-tier construction enterprises.

We inspire talent vitality through various methods and enhance construction practitioners' sense of honor and accomplishment. We support multi-level professional skill competitions and provide software technology support and training guidance for national, industry, and company-level competitions throughout the whole process. In March 2023, Glodon provided technical support such as BIM software and other needed software to the National Vocational Skills Competition for Construction, contributing to the great success of the competition.



## Case

### Ten Thousand Project Manager Empowerment Plan for Talent Development in the Construction Industry

Engineering projects are the foundation of construction enterprise operations, and improving project management levels is essential for the enhancement of overall efficiency and performance. Project managers, who bear the primary responsibility of engineering projects, play a pivotal role in construction enterprises. Their capability improvement is of significant importance for boosting project management efficiency, reducing waste, and improving overall project performance.

In 2023, Glodon launched the Ten Thousand Project Managers Empowerment Plan in collaboration with renowned universities and colleges of construction and leading construction enterprises. Together, we built a talent development system for project managers in the industry, tailored high-quality courses based on industry status quo, development, and transformation, and planned to train and empower ten thousand construction project managers within three years. This initiative aims to comprehensively enhance the quality of talent individual development, improve overall performance of project management, promote the overall construction capabilities of the industry, and drive the sustainable development of the construction sector. As of the end of 2023, the public training under the Ten Thousand Project Managers Empowerment Plan covered 30 regional industry associations and conducted training for over 100 companies, with a maximum of 500 attendees per offline training session, empowering over 10,000 project managers.



Image: Glodon was conducting a non-profit training for project manager empowerment

## Case

### Support the “Chinese Workers’ Digital Application Technology Skills Match” and Foster “Digital Craftsmen”

From June 7th to 9th, 2023, the first-ever national workers’ vocational skills competition focusing on digital skills applications, the "National Workers’ Digital Application Technology Skills Match," held its finals in Fuzhou, Fujian Province in China. As a supporting company of the competition, Glodon provided BIM software products including *Glodon BIM Civil Engineering Measurement-GTJ*, *Glodon BIM Installation Measurement GQI (MEP)*, *Glodon BIMMAKE*, *Glodon BIM 5D Construction Organization Simulation*, etc.) for the BIM technician competition events. During the competition, we actively responded and advocated young construction practitioners to developing innovative thinking through technical learning, encouraging them to continuously explore and improve traditional construction processes, thus continuously injecting innovative vigor into the sustainable development of the construction industry.



Image: Glodon served as a BIM software supporter for the Chinese Workers’ Digital Application Technology Skills Match in China



Image: Glodon was invited to provide commentary for the live streaming of the competition throughout the events

# Building a Responsible Supply Chain

We place paramount emphasis on value delivery in the supply chain. Through responsible purchasing practices, we endeavor to drive improvements in environmental and social impacts among our suppliers, while supporting the growth of those who prioritize environmental, social, and stakeholder-friendly practices. Additionally, as a leading digital building platform service provider, we leverage supply and purchasing platforms to empower the construction industry. By utilizing digital tools, we enhance the resilience of the industrial supply chain and bolster its ability against risks, thus fostering an efficient and reliable supply chain ecosystem.

## | Achieving Responsible Purchasing

We remain firm in fair, impartial, and transparent purchasing practices, revising the *Supplier Management System* and *Purchasing Management System* to standardize the procurement process. In addition, we enhance supplier access certification, performance evaluation, and elimination mechanisms, ensuring accountability at every stage from tendering and fulfillment to payment. Amid the supplier access, we require compliance with the SA8000 social responsibility standard and the signing of a *Corporate Social Responsibility (CSR) Commitment*. During the process of supplier classification and review, we consider environmental and social risk factors in the supply chain, focusing on environmental impact assessments and management systems for manufacturing suppliers. We extend our scope of review and evaluation to cover their upstream suppliers for trading enterprises and integrated manufacturing companies, and incorporate issues such as forced labor and occupational health and safety into site audit criteria for suppliers. This motivates suppliers to improve their sustainable development performance, contributing to the establishment of a responsible supply chain ecosystem.

Concerning the indirect purchasing intentions, we prioritize green and environmentally friendly products or those that support rural development and vulnerable groups. This approach aligns with our commitment to promoting sustainable development throughout the supply chain.

In 2023 :

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We brought **3,246** vendors into the supplier system, all meeting the standards for credibility

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Our manufacturing suppliers can

**100%** meet environmental and social risk management policies

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We approved a total of **1,102** suppliers, with **97.46%** of them completed signing the *Corporate Social Responsibility Commitment*

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We conducted **60** supplier audits, with **35** suppliers improving and meeting qualifications after the audits

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## Upgrading Industrial Supply Chains

We are attentive to environmental, social, and corporate governance risks throughout the construction industry supply chain. By establishing an efficient and convenient digital platform between engineering construction material purchasers and suppliers, we work to improve marketing efficiency for suppliers and sourcing efficiency for purchasers, ultimately saving time and costs of purchasing. We advocate for the comprehensive evaluation standard of Quality, Cost, Delivery, and Service (QCDS) for building materials suppliers, conducting impartial supplier evaluations without economic interests. This approach not only aids in selecting high-quality suppliers but also connects opportunities for high-quality small and medium-sized suppliers. We pilot the Joint Purchasing Finance service, which reduces the overall cost of project material purchasing and simultaneously helps small and medium-sized construction enterprises optimize project fund allocation and ensure timely payment. Furthermore, by integrating ecological resources, we refine the Green Building Materials Service Platform to push forward green building materials and low-carbon applications in green buildings, ultimately enhancing project quality.

### Glodon's Service Platform: A Pioneering Digital Supply Chain Solution Provider in the Construction Industry

Suppliers	Purchasers
Precise tagging and classification, facilitating effective connections	Convenient comparison, saving valuable time
Direct supply and purchasing, streamlining marketing processes	Transparent pricing, reducing costs
Comprehensive evaluation, ensuring equal opportunities	Rating references, mitigating risks
Objective and impartial practices, fostering fair competition	Low-carbon labeling, promoting green purchasing

### In 2023 :

We facilitated service exchanges for a total of  
**19,941**  
 suppliers and purchasers

We facilitated financing transactions totaling  
**1.08 billion**  
 yuan for small and medium-sized enterprises

We supported  
**402**  
 engineering projects for small and medium-sized enterprises

## Case

### Provide Inclusive Financial Services for the Construction Industry and Accommodated ESG Evaluation Dimensions

Glodon is committed to providing inclusive financial services to participants in the construction industry while integrating ESG investment philosophy into the credit process. In the credit assessment system for general contracting enterprises in the construction sector, various indicators such as production accidents, migrant workers' wages, social reputation, and so forth are meticulously considered. Performance data on environmental, social, and corporate governance are collected, integrated, and analyzed regularly, and are factored into their main scores, directly influencing whether general contracting enterprises are admitted and determining their credit limits.

In 2023, 12.5% of intended general contracting enterprises were deducted points due to environmental, social, and corporate governance indicators, failing to meet basic admission requirements. Among the general contracting enterprises with continued credit, 33.33% had their credit limits reduced due to deductions in environmental, social, and corporate governance.



# Engaging in Community Development

We actively act on the United Nations Sustainable Development Goals (SDGs), continuously addressing the needs of vulnerable groups, and bridging the gap with technology and love for better well-being and health. Leveraging industrial revitalization as a catalyst, we promote equal access to services and resources, fostering harmonious urban-rural and regional development. In addition, we support educational initiatives to provide students with access to higher-quality educational resources. We adhere to gathering goodwill and contribute to the prosperity and stability of society.

## | Working for a Better Community

We have long been devoted to promoting harmonious social development, wholeheartedly supporting charity and public-welfare endeavors. Harnessing our operational and talent advantages as a technology enterprise, we strive to help minority groups integrate into society and share happiness. In 2023, we joined the China Volunteer Association and established the Glodon Volunteer Service Corps, calling on our employees to take an active part in diverse public-welfare projects such as offering elderly care and assistance to people with disabilities, promoting educational development, and so forth, thus contributing to a harmonious and friendly society.

Furthermore, we adhere to applying technology to care for vulnerable groups, such as the elderly, children, and the disabled. We donated safety-guarding smart devices, smart eldercare safety experience houses, and rehabilitation subsidies for families of children with autism. Additionally, we organized community seminars on professional safety and first aid knowledge, elderly safety assistance, and rescue activities. Leveraging technological advantages, we aimed to build a safety protection network for the elderly living alone and those with disabilities. In 2023, covering more than 10 provinces and cities including Beijing, Liaoning, Inner Mongolia, Fujian, and Shaanxi, we donated safety-guarding smart devices to over 400 families with the elderly, building a safety protection network for elderly people living alone and those with disabilities. What's more, we collected a total of 5,323 rehabilitation subsidies to help families of children with autism master scientific and systematic rehabilitation skills.

### In 2023 :

We organized

**8**

public welfare volunteer activities

With a total of

**283**

participants

A cumulative activity duration of

**554**

hours



Image: Glodon Volunteer Service Corps participated in volunteer activities of the Dragon Boat Festival event held at the Shangdi Street.



Image: Glodon's volunteers were guiding community residents to participate in festival activities.



Image: During the "520 Public Welfare Open Day" on May 20th, our volunteer team organized a handicraft charity sale with disabled individuals.



Image: Glodon (Xi'an) R&D Center organized a public welfare art exhibition and charity sale, showcasing artworks by children with autism.



## Case

### Leveraging Technological Advantages to Build a Safety Protection Network for the Elderly

In 2023, Glodon focused on advancing the “Ensuring Safety in One’s Home, Caring for the Elderly” welfare initiative, with elderly home safety at its core. This project targets particularly vulnerable groups such as the elderly living alone, empty-nesters, stay-at-home seniors, the disabled, and those with severe disabilities, we conducted public welfare activities including the donation of safety-guarding smart devices, the establishment of smart eldercare safety experience houses, community seminars on professional safety and first aid knowledge, and elderly safety assistance and rescue training. This initiative is conducive to achieve donations into households, services into communities, activities with expertise, and sustainable public welfare.

By the end of 2023, the project covered more than ten provinces and cities including Beijing, Liaoning, and Fujian, donating safety-guarding smart devices to over 400 elderly households and handling a total of 7,717 safety alarms for elderly households. Moreover, over a dozen community seminars on professional safety and first aid knowledge were conducted, benefiting over 2,000 participants.



Image: Glodon’s volunteers install safety-guarding smart devices for the elderly.



Image: Glodon’s volunteers are explaining safety knowledge tailored for the elderly to an old lady.



Image: Glodon organizes community seminars on professional safety and first aid knowledge.

## Pushing Forward Rural Development

We are steadfast in our commitment to advancing the UN Sustainable Development Goal of “No poverty” by tailoring industry assistance projects to local contexts. Providing financial and technical support, we endeavor to foster industry brands with rural characteristics, collaborating with returning entrepreneurs in key sectors identified for government support. Through avenues such as direct purchasing, co-branding partnerships, collaborations among cultural and creative industries or products, and shared market resources, we strive to expand marketing channels for specialty agricultural products in regions like Shanxi, Hebei, Hunan, and Guizhou. This not only facilitates increased employment and income for local farmers but also catalyzes the development of local agricultural, cultural, and tourism sectors with local characteristics, thereby igniting intrinsic momentum towards regional development.

Leveraging our digital technology expertise, we led a public welfare initiative jointly established by the government, hospitals, and enterprises. Collaborating closely with local governments and medical ecosystem partners, we created the “Smart Rural Elderly Care Service” project aimed at addressing safety and healthcare challenges faced by elderly individuals living alone or in empty nests in rural areas. In 2023, the project benefited 100 households with elderly individuals living alone.

We place significant emphasis on promoting inclusive and equitable high-quality education, particularly in impoverished areas, so as to promote sustainable rural development. By providing excellent educational resources to children in need, such as donating books to Bayanhushu No. 3 Secondary School in Horqin Right Middle Banner, a remote region in China, we aimed to inspire a love and interest for reading and learning among children on remote grasslands. In 2023, our investment in rural education assistance projects amounted to 30,000 yuan.

In 2023 :

Total investment in rural development support reached **2.4742 million** yuan



Image: In 2023, Glodon hosted a charity running event, advocating for book donations through participation in a sports challenge. One book would be donated to the schools in rural areas once a participant completes a sports challenge. This event has 62 Glodon volunteers participating and finally Glodon donates a total of 1,000 books to rural schools.



Image: Glodon, in collaboration with the Peking University International Hospital team, embarks on a visit to Tianzhen County, Shanxi Province, to implement a joint public welfare project involving government, medical, and enterprises.

In 2023:

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**25%**

female representation among the board, supervisors, and senior management

**90.45%**

of suppliers signed the *Integrity Commitment*

**28**

sessions of commercial ethics training were conducted

**0**

data breach incidents occurred

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# GROWTH

Grounded in the principles of sustainable development, Glodon actively establishes robust corporate governance strategies, attaches great importance to the demands of stakeholders such as shareholders and investors. Our endeavor is to propel the company towards becoming an enterprise characterized by high commercial ethics, sustainable competitiveness, and ESG investment value. Upholding the bottom line of strict compliance with laws and regulations, we fortify the foundation of risk prevention and control while supporting and safeguarding universal human rights. We firmly adhere to internationally recognized business ethics standards, protect intellectual property rights, privacy, and data security. By constructing a scientifically efficient governance system, we ensure the healthy development of the company.

## Sustainable Development Goals



# Corporate Governance

We steadily enhance our corporate governance framework by diversifying our board of directors, improving governance efficiency, optimizing investor relations management, and fortifying the foundation of risk management. This concerted effort aims to foster a conducive internal and external governance environment. Our governance structure comprises the shareholders' meeting, the board of directors, four specialized committees, the supervisory board, and senior management, each operating independently and coordinating effectively. This structure effectively safeguards shareholder and company interests while elevating corporate governance standards.

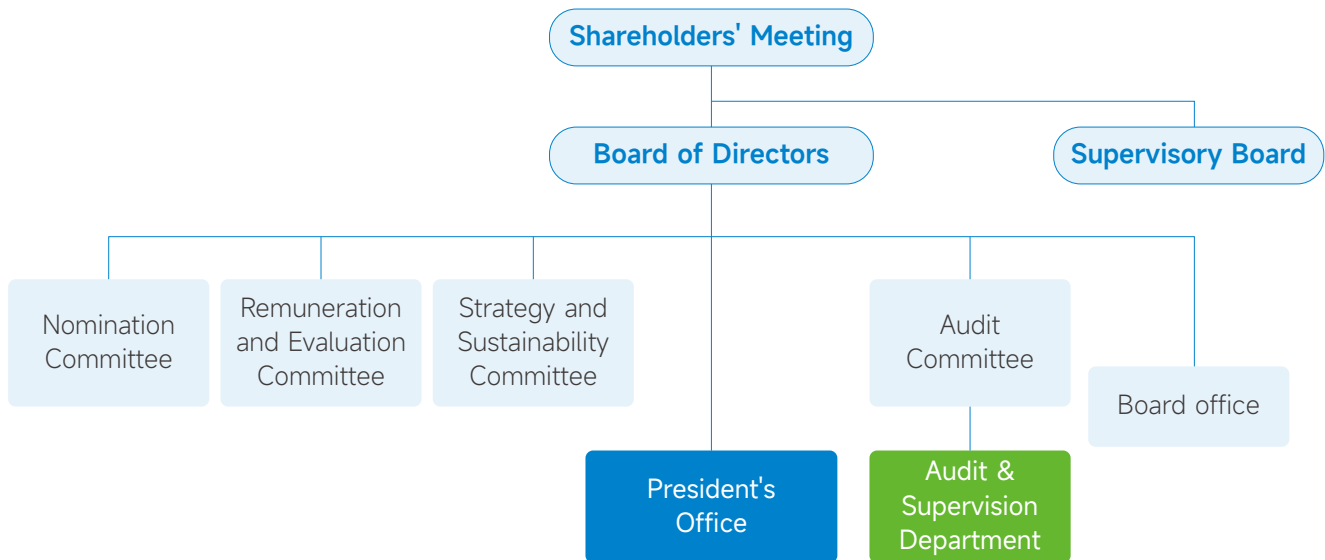


Image: Glodon's Governance Structure



## Board of Directors, Supervisory Board and Shareholders' Meeting

We greatly value talents, striving for fairness and equality without discrimination. Our selection of directors, supervisory board members, and senior management emphasizes core competencies, leadership abilities, professional experience, gender balance and so forth. This ensures that the most qualified and competitive candidates are matched and appointed to relevant positions. We actively encourage female employees to claim more rights and opportunities in their careers. As of 2023, our board of directors, supervisory board, and senior management collectively comprise 16 members, including four women, accounting for 25%.

We place significant emphasis on the diversity of our board members, considering their industry experience and professional backgrounds, to ensure a scientifically constructed and effectively operating board. Our major selection criteria: diversity and professionalism, align with our vision of achieving an enterprise that stands the test of time.

In 2023, based on a clear company development strategy, our board transitioned from a "founder-led team" to a "professional manager team." One-third of the board comprises professional managers, one-third are independent directors, and another one-third are experts from various fields including the construction industry, digital economy, human resources, finance, and so forth. This contributes to a sound composition of the board, with members all possessing the necessary knowledge, skills, and qualities to fulfill their duties and bring about a broader, more inclusive perspective within the company, bolstering our decision-making prowess. Moreover, this meticulously structured assembly strengthens decision-making diversity, and effectively supports the substantive role of specialized committees. This helped promote advanced business and governance concepts, achieve sustainable growth, and fulfill the company's vision. As of 2023, our board consisted of 9 directors, including 6 non-executive directors (including 3 independent directors), accounting for approximately 66.67%. The audit, nomination, and compensation and assessment committees each have an independent director proportion of 67%.

### In 2023 :

**8**

board meetings were held

with **42** agenda items deliberated and reviewed

and a director attendance rate reached

**100%**

**8**

supervisory board meetings were held

with **23** agenda items deliberated and reviewed

and a supervisor attendance rate reached

**100%**

**3**

annual shareholders' meetings and extraordinary shareholders' meetings were held

with **745** attendees

In 2023 :

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**4**

regular report conference calls were held

**1641**

covering 1641 participants from home and abroad

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**1**

investor conference

**1**

performance briefing were organized

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**76**

investor questions were replied to on the Shenzhen Stock Exchange's interactive platform

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**133**

announcements were published

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Glodon has published its sustainable development information disclosure report in both Chinese and English

for **4** consecutive years

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## Investors Relation Management

We comply with legal and regulatory requirements, including *the Securities Law of the People's Republic of China and the Working Guidelines for Relationship Between Listed Companies and Investors* in the Shenzhen Stock Exchange where we have our stock listed, and we also adhere to international and domestic ESG investment requirements for investors. We proactively disclose all significant information affecting investment decisions for rational market expectations to avoid misleading investors. We maintain open communication channels through investor conferences, performance briefings, conference calls, emails, and social platforms, facilitating investor participation in corporate governance. Moreover, senior management directly interacts and communicates with investors, addressing their questions and listening to their opinions.

We keep optimizing our shareholder composition and shareholding ratios to safeguard investors' legitimate rights and interests. By the end of 2023, Glodon's largest shareholder held a 15.98% stake, and both internal and external shareholders played crucial roles in major decision-making processes.



## Case

### Providing Investors with a Close-up Experience of Digital Building

On June 10, 2023, Glodon's annual investor conference was held at Glodon (Xi'an) R&D Center, which marked Glodon's 11th consecutive year organizing this event. The conference, attended by nearly 400 investors, industry analysts, financial press, and industry media, was held both onsite and online through live streaming, catering to domestic and international investors.

Innovatively, the venue for this year's conference was chosen to be Glodon (Xi'an) R&D Center, where digital building practices were carried out. The conference was also held concurrently with the China Digital Building Summit, inviting offline attendees to participate in the entire summit and various thematic forums in advance, aiming to help investors fully understand industry trends and Glodon's business and innovation achievements and applications, thus providing them with a close-up and comprehensive experience of our company's strategies, products, and services. The conference featured core executives interpreting the company's strategies and business, as well as inviting benchmark clients to share their experiences of the application values, leaving a deep impression on attendees and achieving positive outcomes.



Image: Glodon's 2023 Annual Investor Conference

## Enhancing Risk Prevention and Control

We stay committed to enhancing our risk management system, bolstering investments in audit resources, and transitioning from special audits to comprehensive audits. Following the internal control evaluation standards of industry benchmarks, we formulated and refined the Internal Control Evaluation Process, Internal Control Maturity Evaluation Criteria, and Audit Rectification Implementation Rules, and revised the Internal Control Evaluation and Management System, in order to ensure a systematic and standardized approach to advancing internal control evaluations. In 2023, we carried out a special project titled "Identification of Sustainable Development Risks and Opportunities" to develop systematic solutions for identifying, evaluating, preventing, and addressing sustainable development risks for the company.

Guided by risk identification, we iteratively optimized digital warning indicators, with a total of 79 identified risk indicators and 28 quantifiable indicators, categorized by business modules. Based on internal control evaluation norms and processes, we completed six internal control evaluation projects in 2023, identifying 400 internal control risk items with 12 type-A risks, 350 type-B, and 38 type-C, thereby preventing economic losses amounting to 13.46 million yuan. Through historical data analysis and big data model calculations, we have implemented intelligent risk warning alerts for risks spanning from sales to delivery processes, including contract and software authorization risks, thus avoiding potential financial losses.

While promoting the implementation of risk control projects, we simultaneously carried out awareness campaigns on risk internal control, reinforcing awareness and capabilities in business risk management. Additionally, we have expanded the evaluation dimensions and content of business controls, evaluating the outcomes of risk control projects based on various aspects, such as current business risk identification, accountability in business department management, rationality of operation process settings, and execution of management measures. Upon completion of risk control evaluation projects, we promptly devised corrective action plans and schedules, oversaw their implementation, evaluated the effectiveness of rectification and supervision, and monitored progress, thereby establishing a closed-loop management improvement process.

### In 2023 :

Tracked and completed

**64**

recommendations for improvement and rectification listed in 2022

We proposed **325** suggestions for improvements for audits'

with **292** entering the audit, rectification, and supervision stages

Among them, with a completion rate of

**28%**

for the year, the remaining 72% was expected to be completed by 2024

# Human Rights

We pledge our support for and adherence to the *International Bill of Human Rights*, encompassing the *Universal Declaration of Human Rights*, the *International Covenant on Civil and Political Rights*, the *International Covenant on Economic, Social, and Cultural Rights*, alongside the *International Convention on the Elimination of All Forms of Racial Discrimination*, the *International Convention on the Suppression and Punishment of the Crime of Apartheid*, the *Convention on the Elimination of All Forms of Discrimination against Women*, and the *Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment*. Embracing the International Labour Organization's *Declaration on Fundamental Principles and Rights at Work*, we commit to extending these rights to both our employees and laborers directly or indirectly engaged within our supply chain. Our international operations are governed by clearly defined guidelines that promote the respect of human rights and discourage discriminatory practices (see section [2.2.1](#) for specifics on safeguarding employee rights).

We champion the rights of labor organizations and collective bargaining, condemn forced labor, prohibit the hiring and use of child labor, and ensure employees are shielded from discrimination. Upholding principles of fairness, we promote and accelerate equitable labor practice by providing labor remuneration not below the minimum wage level in any country or region where we conduct business.

In our proactive approach to risk prevention and control, we adopt thorough assessments of human rights-related risks (see section 3.1.3 for detailed information on enhancing risk prevention and control procedures). Furthermore, we carry out human rights due diligence investigations across our company's operations, business activities, and within our value chain to identify pertinent risks and avoid any involvement in actions that violate human rights. Our robust framework includes comprehensive complaint mechanisms and investigation procedures; therefore, once misconduct is found, immediate action will be taken to halt it, followed by quick and effective resolution.



# Business Ethics

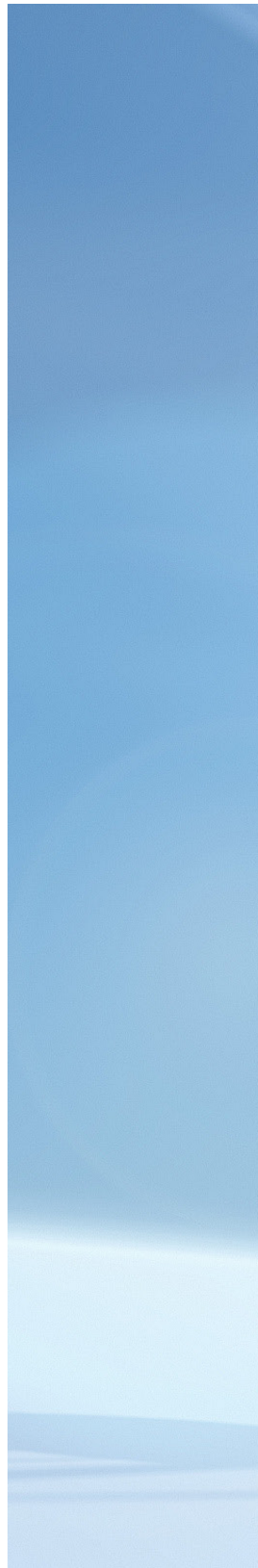
We place paramount importance on the Glodon's business ethical conduct and reputation and adhere to legal regulations, rigorously combating antitrust activities, unfair competition, and corruption. In the year 2023, Glodon initiated and transferred 2 cases of duty encroachment to the judiciary, and 1 case of competition concluded in the first instance, with no significant negative impact on our operation. These experiences served as pivotal lessons, driving us to continuously enhance the legal awareness and knowledge of our employees while upholding the fundamental tenets of business ethics.

## | Antitrust Practices

We strictly comply with laws and regulations in our operating jurisdictions, including the *European Competition Law* and the *Anti-Unfair Competition Law of the People's Republic of China*. We actively fortify our compliance system to combat antitrust practices, issuing the *Antitrust Compliance Guidelines* and establishing a compliance management framework comprising decision-making, execution, and operational teams. Leading by example, the Chairman, management, and business heads of the company pledge their commitment to antitrust compliance by signing the *Antitrust Compliance Commitment* and conscientiously fulfilling their obligations. We refine our performance evaluation mechanisms for antitrust compliance management to preempt and mitigate the risk of antitrust violations, thereby bolstering our competitive edge in the market.

We maintain transparent channels for consultation and reporting on antitrust compliance issues, offering dedicated hotlines and email addresses for antitrust inquiries, enabling preemptive consultations and risk mitigation. This setup ensures the bottom-up unimpeded reporting mechanism of internal misconduct and guarantees a closed loop across the entire compliance process by steps including receiving report information, recording report content, assessing risks, verifying and reviewing business lines, and following up on the report, so as to maintain regulatory compliance throughout.

Proactively engaging in antitrust compliance training, we offer comprehensive programs for the executives and all employees, complemented by specialized training and assessments tailored to relevant operations, department leaders and staff. Moreover, we develop educational materials and exams on antitrust compliance, curating relevant courses accessible via our learning and development platform for employee's learning and growth. In 2023, we organized 10 anti-monopoly compliance system trainings and recorded 11 online courses.



A pair of scales of justice is shown against a blue sky background. The scales are silver and black, with a white weighing pan on the right side. The left side of the scales is higher, and the right side is lower, suggesting a balance. The scales are positioned in the foreground, with a white rectangular box overlaid on the right side of the image, containing text.

## Anti-Unfair Competition

We meticulously abide by international regulations, including the World Intellectual Property Organization's *Model Provisions on Protection Against Unfair Competition*, China's *Anti-Unfair Competition Law*, and other local laws governing unfair competition in our overseas operating regions. We have also enacted and published the *Manual for Identifying and Addressing Unfair Competition* and the *Quick Guide to Identifying and Addressing Unfair Competition*, tailored to our company's competitive landscape. These documents outline and explain instances of unfair competition that require attention in our business operations, thereby helping the company enhance its coordination and capabilities in unfair competition response. In 2023, we conducted 6 sessions of training on combating commercial bribery, filed one complaint related to unfair competition and dozens of lawsuits related to intellectual property rights infringement to safeguard our interest.

## Anti-Corruption Management

We strictly comply with the *Criminal Law of the People's Republic of China* and pertinent anti-corruption laws and regulations in the jurisdictions where we operate overseas. We actively strengthen our integrity and compliance system, drawing up institutional documents such as the *Whistleblowing and Investigation Management System*, *Declaration of Conflict of Interest*, and the *Transparency Declaration*, while revising the *Employee Code of Conduct*. These policies clearly outline Glodon's regulations regarding corruption, bribery, and bottom lines of employee conduct, supported with relevant control and punitive measures, fostering a culture of integrity, incorruptibility, and fairness in the workplace.

We strengthen the management of clean reporting and investigation, updated the Reporting and Investigation Management, and established a reporting reward mechanism, providing rewards to individuals for verified reports. In order to protect whistleblowers, we have strengthened the protection mechanism for them, managing reporting channels through dedicated lines, strictly maintaining the confidentiality of whistleblower information, assigning dedicated personnel to manage reported issues, and ensuring the safety of whistleblowers.

We strived to comprehensively foster an anti-corruption culture and atmosphere, regularly disclosing employees' misconducts or violations of law and regulations, delivering lectures on integrity culture and creating a transparent work environment for directors, senior management, and all staff to prevent fraudulent behavior. We have organized integrity empowerment activities for senior management and conducted incorruptibility training for new employees, with a 50% coverage rate of integrity examination for new recruits.

We attach great importance to the integrity and incorruptibility management of our suppliers, strictly enforcing Integrity Commitment, Declaration of No Conflict of Interest, and other institutional documents targeting suppliers. We either deduct points or initiate an exit mechanism for suppliers who break their commitments, depending on the severity of the situation. We encourage our cooperative suppliers to report corruption and bribery, cracking down on internal and external collusion and fraudulent activities between suppliers, and promptly handling fraud cases under the law. In 2023, we imposed a penalty of 1.5 million yuan on the suppliers violating regulations. We promoted a culture of integrity within the company to prevent misconduct. By the end of 2023, our integrity culture outreach among suppliers reached 90%, and we sent integrity reminder letters to all suppliers, covering 100% of them.

### In 2023:

**12**  
anti-corruption training  
courses were held

Organized  
**12** lectures  
on the integrity cultur

Covering  
**80%**  
of key departments

**90.45%**  
of suppliers signed  
the Integrity Commitment

Handled  
**6** reported casest

with a return rate of  
**100%**

satisfaction rate of  
**100%**

Dealt with and punished  
**9** employees  
for violations of discipline and law

Transferred  
**3** to judicial organs

# Intellectual Property Protection

We hold intellectual property right (IPR) protection in high regard, strictly adhering to pertinent laws and regulations governing intellectual property protection in our operational jurisdictions, such as the European Patent Convention. Continual refinement of our intellectual property management system is of paramount significance, accomplished through our revision and implementation of management protocols like the *Source Code Management*, *Patent Management*, and *Copyright Management*, seamlessly integrating intellectual property protection across the entire lifecycle of our products.

Our approach includes a deep respect for the intellectual property rights of others, with measures in place to mitigate infringement risks, including the establishment of anti-infringement audits. Prior to product launches, rigorous intellectual property compliance reviews are conducted to preempt any potential infringement of legitimate intellectual property rights. Notably in 2023, a dedicated initiative on intellectual property compliance was launched, systematically scanning and cataloging the compliance status of all products. We revised and refined our IPR rules and regulations in terms of improving compliance standards within the integrated product development (IPD) processes, clarifying intellectual property ownership in business collaborations, and outlining inventor rewards within our protocols, thereby ensuring the protection of external intellectual property rights holders, company partners, and internal inventors within our company. Moreover, Glodon's *Employee Code of Conduct* delineates guidelines for employees' use of software, reinforcing legitimate practices, while our themed training sessions and activities bolster awareness of intellectual property rights protection across all staff members.

Actively safeguarding the integrity of the market, we engage in the strategic deployment of relevant intellectual property assets overseas, ensuring the security of our international business operations and strengthening our IPR compliance management. As of the close of 2023, we successfully established trademark protections framework in key regions including the United States, European Union, United Kingdom, Japan, and Southeast Asia. Additionally, we assisted clients in securing software copyrights, and collaborated with law enforcement to fight against illicit infringement activities, contributing to a robust and sound intellectual property ecosystem. Our efforts extend to legally addressing instances of software piracy and bringing down their retailers and hacker producers, collaborating with law enforcement agencies to apprehend offenders, thereby mitigating risks to product quality and information security to our users, and safeguarding the legitimate rights of authorized users.

## In 2023 :

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### 44

successful trademarks registration

### 12

internal events centered on intellectual property themes were carried out

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# Privacy and Data Security

We stress a paramount emphasis on data compliance and information security, leveraging comprehensive data management as a cornerstone to build and perform a robust data security protection system, fortifying defenses for big data applications of all kinds. We work to intensify information security protection measures across all phases and establish stringent data security emergency response plans. Upholding ethical standards in technology, we responsibly employ artificial intelligence technologies, rigorously controlling data assets, and unleashing data value while ensuring information and privacy security. We take steady measures to enhance security operational monitoring capabilities and delve into potential network security risks faced by our operations, providing effective and tailored security measures in line with client demands, and achieving systematic and comprehensive management of network security risks. By ceaselessly refining our vulnerability closure mechanisms, we bolster our risk response capabilities to safeguard stable business operations.

We strictly regulate our own data collection, storage, and usage behaviors, adhering to legal regulations such as the EU's *General Data Protection Regulation (GDPR)* and the *Cybersecurity Law and Data Security Law of the People's Republic of China*, and other regulations in the jurisdiction. Based on ISO27001:2013 standards, we have obtained certification for our Information Security Management System. Enhancing our management systems, we have newly issued the *Information Security Policy and Strategy and Data Compliance Management*, strengthening compliance in network security and data security, and we have also revised protocols such as the *Email Management* and *Internal Access Management*. We have established comprehensive security management requirements covering the entire lifecycle of data from generation, storage, usage, transmission to destruction, and delineated departmental responsibilities for data compliance within protocols, clarifying responsibility boundaries. Designating data asset managers responsible for executing data compliance management protocols, we advance a series of data compliance management measures including risk scenario analysis for managed data. We conduct periodic data security audits to support security traceability and incident analysis, ensuring the stability, continuity, and integrity of company data systems. Furthermore, we maintain open channels for data security consultation and reporting, requiring employees to promptly intervene upon discovering data violations. Strengthening emergency response capabilities, we have established full-process emergency response rules from incident prevention, monitoring, reporting, and handling to disclosure and review. What should be mentioned is that the majority of our overseas data processing is managed by our overseas subsidiaries, so generally, customer data from overseas does not involve cross-border transmission.

In terms of security design, we support multi-authentication methods based on identity tokens, employ strong password policies to detect user password complexity, set dynamic random verification codes, and impose login timeout limits to ensure user authentication security. Moreover, we adopt HTTPS security protocols and SSL encrypted transmission to ensure user access security. Function permissions, data permissions, and operation audit systems are established to strengthen overall control, permission refinement, and security scanning to safeguard application security. Last but not least, measures such as data backup, data access authorization control, and encryption of sensitive data storage are also adopted to ensure data security.

With regard to security monitoring, we enhance our automated product security capabilities, executing various security scans more than 800 times cumulatively. We promote security operational monitoring capabilities, identifying and addressing 87 suspicious intrusion incidents and product security risk events, achieving a 100% closed-loop resolution. We improve vulnerability closure mechanisms, issuing a total of 18,550 security vulnerability notices for SaaS products, covering 3,827 vulnerabilities and weak passwords., with a cumulative repair rate of over 40% within 10 days and over 74% within 30 days as of the end of 2023.

Moreover, fully leveraging our professional expertise, we participate in enacting standards such as the Process and Technical Specification for Data Authorization, contributing our knowledge of data compliance to the construction industry. Additionally, we have contributed to the Privacy Engineering White Paper, sharing our experience in corporate privacy construction.

## In 2023:

# 0

incidents of data leakage occurred



Image: The “Micro-Isolation Practice of Glodon Data Center” project effectively controls the network traffic of thousands of workloads through micro-isolation systems, comprehensively enhancing internal network security protection, and effectively safeguarding customer data security and privacy.



Image: As an expert in data compliance, Glodon participates in the Fourth Data Governance Seminar, and delivers a keynote speech, profoundly discussing issues related to innovative data management and relevant legal systems for data governance.

# Appendix Key Performance Indicators

## Environmental Performance<sup>4</sup>

Performance Indicator	Sub-Indicator	Unit	2020	2021	2022	2023
Response to Climate Change	Total Carbon Emissions	Tons of CO <sub>2</sub> Equivalent	5519.39	3515.68	3187.27	9121.02
	Scope 1 Carbon Emissions Total	Tons of CO <sub>2</sub> Equivalent	/	/	142.67	15.37
	Scope 2 Carbon Emissions Total	Tons of CO <sub>2</sub> Equivalent	/	/	3044.60	9105.65
Energy Use	Total Purchased Electricity	Million kWh	5.96	5.25	5.34	16.09
	Total Natural Gas Consumption	Thousand Cubic Meters	70.00	49.00	53.00	95.80
	Total Gasoline Consumption	Tons	16.00	8.45	9.60	5.18
Resource Use	Total Office Paper Consumption	Tons	29.50	14.30	6.00	11.16
Emissions	Domestic Waste <sup>5</sup>	Tons	134.96	124.50	140.50	856.78
	Kitchen Waste	Tons	63.00	49.20	34.00	312.48
	Waste Fluorescent Tubes	Tons	0.30	0.30	0	0.41
	Waste Toner Cartridges and Ink Cartridges	Tons	0.20	0.26	0.04	0.15
Water Resources	Total Water Consumption	Tons	64861.96	28660.00	28904.00	109689.00
	Total Freshwater Consumption	Tons	64441.96	28250.00	28474.00	106145.00
	Recycled Water	Tons	420.00	410.00	430.00	3544.00
	Water Consumption Density <sup>6</sup>	Tons/million yuan	/	/	/	16.81

<sup>4</sup>The environmental performance statistics scope in 2023 covers the office buildings in Beijing, Shanghai, and Xi'an. From 2020 to 2022, the statistics scope only included the headquarters building in Beijing.

<sup>5</sup>The statistics of domestic waste combine household waste and office waste.

<sup>6</sup>The total water consumption of water consumption from 2020 to 2022 is only counted for the Beijing headquarters building, so it is not possible to calculate the water consumption density.

## Social Performance<sup>7</sup>

Performance Indicator	Sub-Indicator	Unit	2020	2021	2022	2023
Employment	Total Number of Employees	-	8213	9486	10683	10349
	Number of Male Employees	-	4910	5873	6489	6259
	Number of Female Employees	-	3303	3613	4194	4090
	Number of Ethnic Minority Employees	-	457	511	558	885
	Number of New Recruits During Reporting Period	-	2316	2784	2971	1874
	Number of Part-time Employees	-	/	/	0	0

Performance Indicator	Sub-Indicator	Unit	2020	2021	2022	2023
Employment	Number of Full-time Employees	-	8213	9486	10683	10349
	Number of Interns	-	/	/	151	147
	Number of Chinese Employees	-	8005	9254	10403	10093
	Number of Foreign Employees	-	208	232	280	256
	Number of Employees below 30 Years Old	-	4463	4805	3742	3831
	Number of Employees Aged 30-50	-	3707	4624	6829	6440
	Number of Employees over 50 Years Old	-	43	57	112	78
	Number of Senior Management Employees	-	/	/	/	34
	Number of Middle Management Employees	-	/	/	/	851
	Number of General Management Employees	-	/	/	/	499
	Number of General Employees	-	/	/	/	8965
	Number of Employees with a Doctor's Degree	-	/	43	51	56
	Number of Employees with a Master's Degree	-	/	1421	1759	1961
	Number of Employees with a Bachelor's Degree (Joint degree included)	-	/	7146	8042	7677
	Number of Employees with College Diploma or Lower	-	/	876	795	655
	Proportion of Employees Covered by Five Social Insurance and One Housing Fund	%	100	100	100	100
	Coverage Rate of Labor Contract Signing	%	100	100	100	100
	Employee Development	Total Employee Turnover Rate	%	19.00	24.00	18.00
Male Employee Turnover Rate		%	20.00	25.00	20.00	21.25
Female Employee Turnover Rate		%	18.00	21.00	15.00	18.97
Employee Turnover Rate below 30 Years Old		%	27.00	32.00	30.00	28.14
Employee Turnover Rate Aged 30-50		%	12.00	18.00	13.00	15.76
Employee Turnover Rate over 50		%	14.00	11.00	9.00	16.67
Chinese Employee Turnover Rate		%	19.00	24.00	18.00	20.56
Foreign Employee Turnover Rate		%	37.00	29.00	21.00	12.11

Performance Indicator	Sub-Indicator	Unit	2020	2021	2022	2023
Employee Development	Overall Rate of Trained Employee	%	62.80	93.00	98.00	96.75
	Rate of Trained Male Employee	%	63.80	93.00	98.00	97.89
	Rate of Trained Female Employee	%	63.20	93.00	98.00	95.01
	Senior Management Training rate	%	/	/	/	91.18
	Middle Management Training rate	%	78.00	80.00	98.19	99.29
	General Management Training rate	%	80.00	82.00	98.58	97.80
	General Employee Training rate	%	/	/	/	96.48
	Total duration of employee training	Ten thousand hours	/	/	21.50	18.20
	Average Training Hours per Male Employee	Hours per person	36.92	26.70	22.54	16.89
	Average Training Hours per Female Employee	Hours per person	38.99	25.50	20.62	18.70
	Average Training Hours per Senior Management Employee	Hours per person	89.33	95.33	91.33	86.00
	Average Training Hours per Middle Management Employee	Hours per person	81.00	83.00	69.72	78.50
	Average Training Hours per General Management Employee	Hours per person	/	/	/	24.02
	Average Training Hours per General Employee	Hours per person	/	/	21.65	16.21
Health and Safety	Number of Fire Drills	Times	2	2	2	13
	Occupational Health Examination Rate	%	100	100	100	100
	Annual Leave Rate	%	37.35	38.28	38.58	39.00
	Maternity Leave Rate	%	100	100	100	100
	Number of Deaths due to Occupational Injuries	-	0	1	1	0
	Death Rate due to Occupational Injuries	%	0	0.01	0.009	0
	Number of Workdays Lost due to Occupational Injuries	-	0	64	354	193
Supply Chain Management	Total Number of Suppliers	-	1075	837	1836	3246
	Total Number of Chinese Suppliers	-	/	/	1836	3233
	Total Number of Overseas Suppliers	-	/	/	0	13
	Number of Manufacturing Suppliers Assessed for Environmental and Social Risks	-	/	/	/	26

Performance Indicator	Sub-Indicator	Unit	2020	2021	2022	2023
Supply Chain Management	Proportion Rate of Suppliers Signing Corporate Social Responsibility	-	/	/	39.10	92.60
	Supplier Audit Frequency	Times	/	/	/	60
	Number of Suppliers Improved after Audit	-	/	/	17	35
	Number of Suppliers Terminating Cooperation after Audit	-	/	/	39	0
Employee Care	Number of Donors to the Family Fund	-	3648	3942	3183	2305
	Total Amount of Donations to Family Fund	Million Yuan	1.11	1.39	1.16	1.84
	Number of Visiting Employees and Their Families	-	94	108	120	135
Community Contributions	Number of Employee Volunteer Activities	-	213	357	399	283
	Total Amount of Social Charity Donations	Million Yuan	5.77	8.17	18.34	18.76

<sup>7</sup>The names and calibers of some of the indicators have been adjusted, so it is not possible to count the data of previous years.

## Economic Performance

Performance Indicator	Sub-indicator	Unit	2020	2021	2022	2023
Operational Efficiency	Total Asset	Billion Yuan	9.55	10.07	11.55	10.68
	Operation Revenue	Billion Yuan	3.95	5.56	6.55	6.53
	Total Profit	Billion Yuan	0.41	0.76	1.08	0.15
	Asset-Liability Ratio	%	31.31	37.69	41.09	40.25
Research and Development (R&D)	Number of Patent Applications	-	127	210	155	138
	Number of Patent Granted	-	94	18	29	59
	Number of Registered Software Copyrights	-	87	80	281	85
	Number of Registered Trademarks	-	65	168	78	44
	Total R&D Investment	Billion Yuan	1.34	1.63	1.86	1.96
	R&D Investment Proportion of Operating Revenue	%	33.93	29.23	28.36	30.09
	R&D Personnel Proportion of Company Employees	%	40.05	41.46	40.61	45.43
	Survey Results of Product Satisfaction	Points	88	87.6	87.5	87.7
	Complaint Handling Rate (User Feedback Resolution Rate)	%	100	100	100	100

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406-1 Incidents of discrimination and corrective actions taken	Nonexistent
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417-2 Incidents of non-compliance concerning product and service information and labeling	Nonexistent
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418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Nonexistent

## Expert Reviews

In the Glodon Company Limited 2023 Sustainability Report, I observed Glodon's warmth and dedication, and I am sincerely delighted to see Glodon continuously making solid strides on the path of sustainable development.

The report clearly presents Glodon's strategic layout for sustainable development. Glodon's goals and vision for sustainable development align with its corporate objectives and pace of development, deepening the company's corporate culture and social responsibility genes within its core responsibilities. This alignment of ideology and practice integrates Glodon's growth with sustainable development. Moreover, the strategic model comprehensively breaks down Glodon's understanding of corporate social responsibility and sustainable development, providing all stakeholders with a clear outline of the company's sustainable development layout and value positioning. The report's main framework is centered around the strategic model, with rigorous logic and a clear main thread.

The report fully showcases Glodon's governance capabilities in response to opportunities and risks. It precisely focuses on material topics concerning the various dimensions. From the perspective of the environment, Glodon actively responds to the Paris Agreement by developing tools such as carbon emission measurement cloud platforms to promote energy conservation, emission reduction, and efficient resource utilization in the construction industry. Glodon has also built an ecological information model and digital twin technology platform to facilitate smart environmental governance, making positive contributions to addressing global climate change and biodiversity protection. In the social dimension, Glodon delves into various key technologies for research and innovation, achieving multiple accomplishments and establishing industry-open platforms to cultivate digital talents for the entire industry's high-quality development. Comprehensive management measures for industry-focused risk issues such as data security have been disclosed, effectively meeting stakeholder expectations.

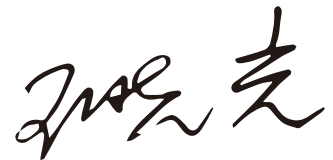
The content of the report reflects distinct Glodon characteristics. Themed around Digital Intelligence, Quality, and Governance, the report demonstrates how Glodon,

through providing digital software and hardware products, solutions, and related services, aligns with and satisfies the digital transformation requirements of the construction industry. Furthermore, Glodon develops new quality productive forces, leveraging its advantages in independent BIM, big data and other information technologies to provide innovative solutions for urban construction, operation, and renewal. By integrating and sharing information, Glodon enhances the refinement and intelligence of project management, driving high-quality development in the construction industry and fully delivering the value that Glodon creates for stakeholders based on its business edges.

Overall, I believe the Glodon Company Limited 2023 Sustainability Report, is a comprehensive and vivid document, fully showcasing its efforts and achievements in the environmental, social, and governance fields. It also reflects Glodon's high regard and steadfast commitment to sustainable development. I hope Glodon will continue to deepen and solidify its path of sustainable development, creating broader social value and achieving more breakthroughs and accomplishments.

Xiaoguang Wang

Member of the Chinese expert working group for the ESG Coordinating Committee of ISO (ISO/ESG CC)



# Terminology Interpretation

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## The Ninth Three-Year Strategy

It refers to Glodon's ninth three-year strategic plan, covering the period from 2023 to 2025.

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## Digital Building

Digital building refers to the industry strategy of promoting transformation and modernization of the construction industry with information technologies such as BIM, cloud computing, big data, IoT, mobile internet, and AI. The strategy employs advanced lean construction methods and integrates people, processes, data, technologies, and business systems to make all construction processes, factors and stakeholders online, digital, and smart. It creates a new ecosystem that involves projects, enterprises and the entire industry. By promoting industrial innovations featuring digital design, construction and O&M approaches, Glodon aims to improve the industry and achieve the goal of making every project a success.

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## Digital Design

A methodology driven by digitalization and engineering data integration, establishing a unified collaborative work model encompassing the whole process, all design factors, and all participants involved in the design phase. This approach facilitates pre-simulation of construction and operational scenarios during the design phase, enabling fully digital prototypes and integrated delivery solutions. Its objectives include enhancing design efficiency, fostering project collaboration, expanding enterprise operations, improving industry supervision and regulation, and ultimately empowering the digital transformation and advancement of the design sector, ensuring the success of every engineering project.

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## BIM

BIM refers to Building Information Modeling, a modeling approach that leverages diverse construction project-related information and data as the foundation for building models, enabling the simulation of real-world building information through digital means.

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## CIM

CIM refers to City Information Modeling, it is an integrated modeling approach grounded in technologies such as Building Information Modeling (BIM), Geographic Information Systems (GIS), and the Internet of Things (IoT). CIM synthesizes multi-dimensional and multi-scale city model data, incorporating above-ground and underground, indoor and outdoor, historical and future data, along with urban perception data, to establish a comprehensive and sound city information complex within a three-dimensional digital space.

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## SaaS

SaaS means Software-as-a-service, which is an innovative software application model where vendors host application software on servers, allowing customers to subscribe to tailored application software services based on their specific needs. Customers may pay fees corresponding to their subscribed services and duration, receiving related services in return.

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## BUG

BUG means software defects, which refers to problems, errors, or hidden functional flaws present in computer software or programs, impeding their normal operation and potentially damaging users' demands and experience.

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## Artificial Intelligence (AI)

Artificial Intelligence (AI) represents a burgeoning technology dedicated to studying, developing, and applying theories, methodologies, technologies, and application systems aimed at simulating, extending, and augmenting human intelligence.

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## Construction Project Lifecycle

The entire lifecycle of engineering project encompasses the whole process of construction project, from the project approval to its completion, utilization, and eventual obsolescence. This lifecycle typically spans the phases including, feasibility analysis, design, tendering (trade or purchasing), construction, operation and maintenance, and project demolition.

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# Reader Feedback

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## Dear Readers,

Thank you for taking the time to read and review the Glodon Company Limited 2023 Environmental, Social, and Governance (ESG) Report. We highly value and eagerly await your feedback on Glodon's sustainable development management, practices, and information disclosure. Your opinions and suggestions serve as essential guidance for our continuous advancement in management and practices of sustainable development. We sincerely look forward to hearing from you! Please provide your feedback by answering the following questions

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## Multiple-Choice Questions (Please check the corresponding box):

1. Which of the following stakeholder categories do you belong to?

- Government/Regulatory Agencies     Shareholders/Investors     Clients  
 Partners/Suppliers     Employees     Community/Social Public     Others

2. How do you rate the report's responsiveness and disclosure regarding stakeholder concerns?

- Excellent     Good     Fair     Poor     Very Poor

3. Do you believe this report adequately reflects Glodon's significant impacts on the economy, society, and the environment?

- Excellent     Good     Fair     Poor     Very Poor

4. How would you rate the report's readability, including its logic, content design, language, and formatting?

- Excellent     Good     Fair     Poor     Very Poor
- 

## Open-ended Questions:

1. What aspects of this report are most satisfactory to you?
2. Do you have any additional comments or suggestions regarding our report and accountability practices?

Please assist us by completing the feedback form and sending it back to us via:

Telephone: 86-10-56403000

Company Website: [www.glodon.com/en/](http://www.glodon.com/en/)

Contact Address: E-13,10 Xibeiwang East Road, Haidian District, Beijing, China.

Zip Code: 100193

Email: [esg@glodon.com](mailto:esg@glodon.com)

Thank you for your cooperation and valuable feedback!

