



Building A First-Class High-Tech Park in The New Era

2023 Environmental, Social, and Governance (ESG) Report
Shanghai Lingang Economic Development (Group) Co., Ltd.

Opening Speech

The year 2023 is the 20th anniversary of the establishment of Lingang Group. In the year, we obeyed and served national strategies and overall development demands of Shanghai, and acted as a major construction body of the Lin-gang Special Area of China (Shanghai) Pilot Free Trade Zone and the transformation of key areas in Shanghai. With the aim to grow into a world-class enterprise, we focused on high-quality development, shifted from the development thinking to the management thinking rapidly, continued to deeply cultivate regions, industries, and specialties, and vigorously built an Innovation Empowerment System including “Sci-Tech Innovation, Digital Innovation, Green Innovation, Service Innovation, Financial Innovation, and Overseas Innovation”, interpreting our missions and responsibilities as a state-owned enterprise laying roots in Shanghai with practical actions.

In 2023, we carried out national strategies in an attempt to be a pacesetter of high-quality development. In the Lin-gang Special Area, we continuously built special economic function areas and modern new cities, and created a world-class industrial cluster at a faster pace, further consolidating our position as a major construction body and increasingly playing a pillar role. Inside Shanghai, we adhered to regional cooperation and brand linkage, fully served the construction of the Shanghai scientific and technological innovation center, and continuously boosted regional transformation and urban renewal, so as to improve regional economic density, industrial height and innovation concentration constantly. Outside Shanghai, we focused on the integrated development of the Yangtze River Delta region and other regional coordinated development strategies, and advanced interprovincial industrial cooperation, further enhancing Lingang’s brand awareness and influence.

In 2023, we did a good job in high-quality development in response to the “carbon peaking and carbon neutrality” strategy. We regarded the new requirements of the national “carbon peaking and carbon neutrality” strategy into the new opportunities for green development, focusing on building high-quality green parks, cultivating high-quality green industries, and creating a highly dynamic green ecosystem. We took the lead in working out a carbon peak action scheme among municipal-level state-owned enterprise groups, conducted inspections for the carbon situation in its parks, facilitated to establish Shanghai Technical Committee for Hydrogen Energy Standardization, founded the “International PV, Storage and Hydrogen Industries Alliance”, and completed the declaration of the “International Energy Storage Bay” planning proposal. Besides, we owned ten municipal-level green parks, which accounted for one-third of Shanghai’s total, making remarkable achievements in green development.

In 2023, we undertook corporate responsibilities for high-quality development by concerted efforts. With a corporate culture of “love for both family and nation”, we firmly guaranteed basic rights and interests of our employees, and continuously improved the employee care system. Under the strengthened work safety management, we provided solid guarantees for work safety in a well-established work safety system. In a new rural revitalization model, we developed the “technological innovation in countryside” in cooperation with Shuyuan Town, Pudong New Area, and built “Yunnan Products-based Cloud Corridor”, a new platform for introducing Yunnan’s enterprises in Shanghai. In 2023, we implemented 28 public welfare projects through Lingang Foundation, donating a total of RMB 7 million and benefiting more than 6,100 people.

In 2023, we focused on modern governance to make high-quality development more dynamic. we improved the corporate governance structure, adhered to the law-based compliance management, continuously deepened the state-owned enterprise reform, established a special ESG work team, and initiated the ESG system building, laying a solid foundation for the Group’s high-quality and sustainable development. Furthermore, we boosted characteristic development, and built an Innovation Empowerment System including “Sci-Tech Innovation, Digital Innovation, Green Innovation, Service Innovation, Financial Innovation, and Overseas Innovation” at a faster pace, creating the core competitiveness with “unique, excellent and characteristic projects”.

Looking back on the long development journey and looking forward to the road ahead. In the face of new strategic opportunities, we will unswervingly obey and serve national strategies and overall development demands of Shanghai, and make unremitting efforts with a firm confidence, in an attempt to grow into a world-class high-tech park development enterprise in an all-round way!



About Lingang Group

Company Profile

Shanghai Lingang Economic Development (Group) Co., Ltd. ("Lingang Group") is a large state-owned enterprise that focuses on the development of industrial parks, support services and industrial investment. The group aims to be the "Promoter of Sci-tech Innovation and Industry Development, Driver of Regional Transformation and Urban Renewal". After 40 years of development, Lingang Group owns four major brands, "Lingang", "Caohejing", "Lingang Industry Clusters" and "Innovation Galaxy". The group focuses on building an Innovation Empowerment System including "Sci-Tech Innovation, Digital Innovation, Green Innovation, Service Innovation, Financial Innovation, and Overseas Innovation". Lingang Group is one of China's top 500 service industry enterprises. It is the controlling shareholder of Shanghai Lingang (stock market code 600848.SH) - a listed company included in the FTSE Russell global equity index and the Morgan Stanley Capital International flagship index, as well as "Lingang REIT" (508021.SH) - a publicly offered infrastructure securities investment fund.

Lingang's Brands

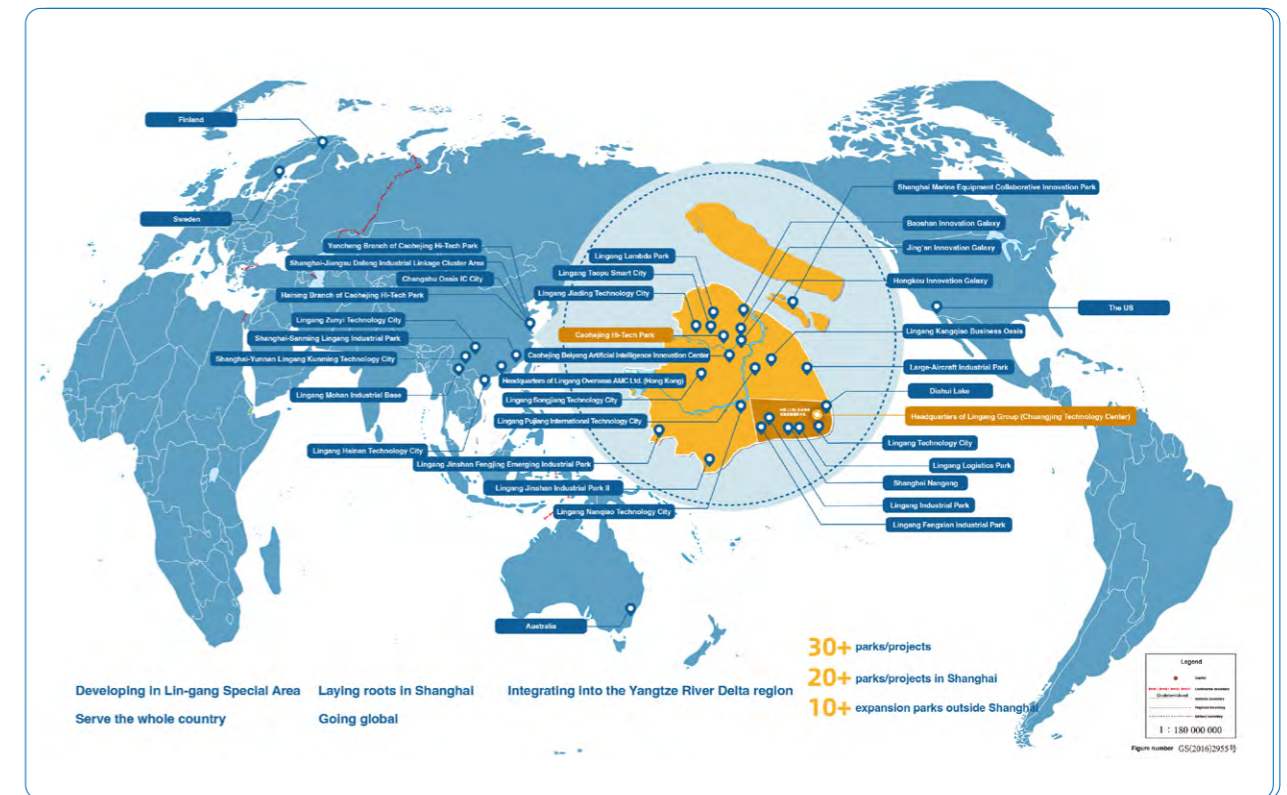
<p>Lingang</p>	<p>Caohejing</p>	<p>Innovation Galaxy</p>	<p>Lingang Industry Clusters</p>
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Figures of Lingang for 2023



Park Layout

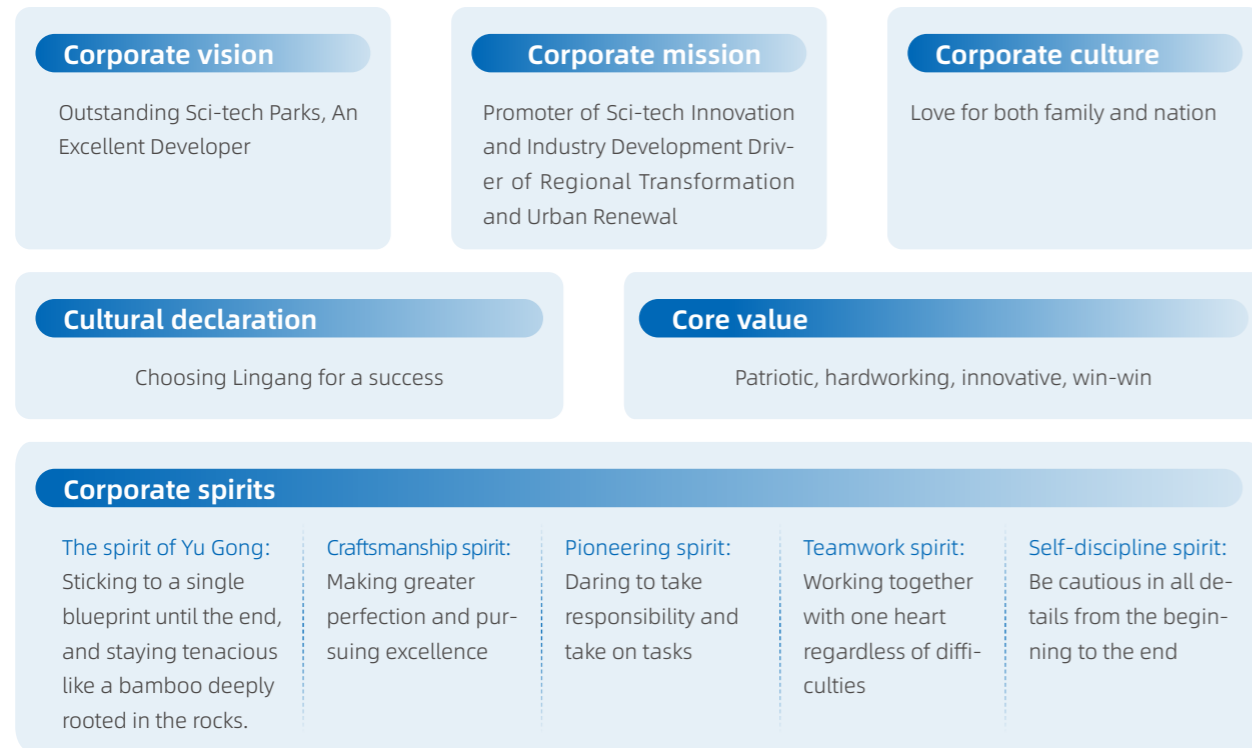
Overall Layout of Parks



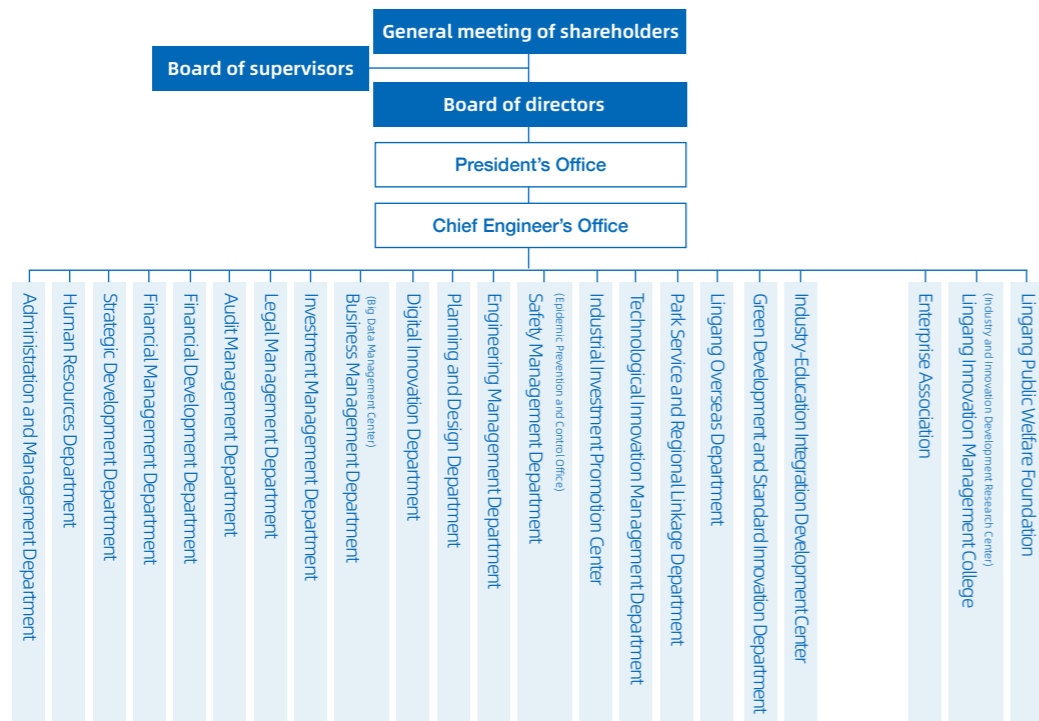
Characteristic Industrial Parks



Corporate Culture



Corporate governance structure



Note: As of March 2024

Environmental, Social and Governance (ESG) Management

Environmental, Social and Governance (ESG) Work

Lingang Group established a special ESG work team, and built a three-level ESG work system of "steering team, leading department and working group" to carry out the ESG work in a standardized and efficient manner.

Communication with Stakeholders

Stakeholder	Expectation and demand	Communication and Response
Government	<ul style="list-style-type: none"> Compliance with laws and regulations Promotion of local economic development Tax payment according to the laws Clean and honest management 	<ul style="list-style-type: none"> Field survey A major construction body of the Lin-gang Special Area of China (Shanghai) Pilot Free Trade Zone A new force in the transformation and development of key areas of Shanghai Information disclosure Clean and honest management risk prevention and control system
Shareholders and investors	<ul style="list-style-type: none"> Corporate governance Risk prevention and control Economic profits Guarantee of rights and interests 	<ul style="list-style-type: none"> ESG Report General meetings of stockholders Announcement of the listed company Investors' survey
Employees	<ul style="list-style-type: none"> Rights and interests of employees Growth and development Health and safety Work and life 	<ul style="list-style-type: none"> General meeting of employees' representatives High-quality talent team building scheme Regular physical examinations Commercial medical insurance Psychological health counseling Various cultural and sports activities for employees Commuter buses for employees
Customers	<ul style="list-style-type: none"> Privacy protection Park services Customer relationship 	<ul style="list-style-type: none"> Protection of customer privacy An Innovation Empowerment System including "Sci-Tech Innovation, Digital Innovation, Green Innovation, Service Innovation, Financial Innovation, and Overseas Innovation" Customer satisfaction survey
Environment	<ul style="list-style-type: none"> Addressing climate change Energy conservation and emission reduction Green lifestyle 	<ul style="list-style-type: none"> Construction of green buildings Development of green industries Introduction of green traffic
Partners	<ul style="list-style-type: none"> Cooperation in good faith Win-win development 	<ul style="list-style-type: none"> Contract fulfillment according to the laws Cooperation mechanism of "area cooperation and brand linkage"
Society	<ul style="list-style-type: none"> Social development Public welfare and charity 	<ul style="list-style-type: none"> Technological innovation in countryside introducing distinctive agricultural products from Yunnan Lingang Public Welfare Foundation Assignment of cadres for targeted support in Xizang

Analysis of Materiality Issues

By the method of "identification-survey-analysis-confirmation", materiality issues were analyzed and sequenced both internally and externally to determine the core issues of Lingang Group's ESG report for 2023.



Note: The importance of the topic increases as the background color darkens

Economic and Governance Dimension

- 03 Combating corruption and upholding integrity
- 06 Operating business according to laws and regulations
- 09 Improving corporate governance
- 10 Strengthening risk management
- 12 Sustainable business model
- 13 Social responsibilities and ESG management

Environmental dimension

- 05 Developing green/sustainable finance
- 19 Strengthening green management
- 20 Promoting energy conservation and emission reduction
- 23 Building ecological parks
- 26 Adhering to green construction
- 28 Safeguarding ecological security
- 30 Addressing climate change

Social dimension

- 01 Smoothing career development channels
- 02 Implementing employee care
- 04 Obeying and serving national strategies
- 07 Building responsible supply chains
- 08 Improving the remuneration and welfare system
- 11 Occupational health and safety
- 14 Promoting industrial development
- 15 Adhering to technological innovation
- 16 Protecting employee rights and interests
- 17 Responsible marketing
- 18 Providing employment opportunities
- 21 Empowering digital transformation
- 22 Industry development and win-win cooperation
- 24 Promoting urban renewal
- 25 Provide high-quality park services
- 27 Driving community development
- 29 Organizing public welfare and charity activities

ESG Honors

Lingang Group

It was selected in the "State-Owned Enterprises ESG Pioneer 100 Index" by the State-Owned Assets Supervision and Administration Commission of the State Council (2023)



Its responsibility case was awarded one of "Top 10 Cases" by Shanghai State-Owned Assets Supervision and Administration Commission



It was granted the "Best Responsibility Award-Responsible Brand Award" by CSR Cloud Research Institute



Shanghai Lingang (600848)

It was selected in the "State-Owned Enterprises ESG Pioneer 100 Index" by the State-Owned Assets Supervision and Administration Commission of the State Council (2023)



It was in the list of "Top 100 ESG Pioneers among Chinese Listed Companies" by the Financial Program Center of China Media Group



It was awarded the Best Case of the Board of Directors of China Association for Public Companies





PART I

Adhering to a long-term ambitious development blueprint under the corporate culture of love for both family and nation

Service for National Strategies

◆◆ Developing in Lin-gang Special Area

Since the establishment of the Lin-gang Special Area, Lingang Group has made fixed-assets investments of RMB 69.93 billion, including 6.07 million square meters of various property carriers, with a total area of 6.74 million square meters under construction. The total fixed-assets investment in properties in the parks was RMB166.83 billion, with a total industrial output value of enterprises in the parks of RMB 1,158.3 billion.

Modern Service Industry Opening-Up Area

The “Ring of Glory”, the first main structure of Dishui Lake Project, which covers 520,000 square meters, was completed as a whole. Shanghai Oil and Gas Trading Center was settled in the area. The annual tax revenue of the park was RMB 3.266 billion.

International Innovation Collaboration Area

Technology Oasis phase I and II and Infinity Isle Data Center were completed. The “Gate of Roc”, the main structure of a 100-meter-high tower, was basically completed. The International Data Economy Industrial Park was opened officially.

Yangshan Special Comprehensive Bonded Area

There were over 4,000 enterprises settled in the park, achieving a total regional operating revenue of RMB1,249.222 billion. The import and export volume reached RMB 2,621.036 billion, up 25.33% year on year.

High-end Industry Leading Area

Oriental IC Port Characteristic Industrial Park gathered over 200 integrated circuit enterprises, and attracted over RMB 220 billion of investments. The Lingang Life Science & Tech Park Characteristic Industrial Park signed new contracts with 14 life and biopharmaceutical projects in 2023, introducing Boston Scientific and other major foreign-funded investment projects.

High-quality international community

A residential product system was established, including Xinyuan series, Linshe series and Yijia series. The planning and construction of Situan Hub and Metro Line 27 were promoted. The Lin-gang Special Area Sports Center was delivered successfully and put into operation. Gulf Community Service Center and Cultural & Art Center were completed successfully and put into use.

◆◆ Laying Roots in Shanghai

“Central radiation”

Caohejing Hi-Tech Park

Enterprises in the main park achieved a revenue of RMB 550.5 billion and a total industrial output value of RMB28.8 billion, with a year-on-year increase of 20.5%. The total profit was RMB 76.7 billion, increasing by 48.8% year on year. There were nearly 250,000 employees.

Lingang Pujiang International Technology City

A “2+1+X” characteristic industry cluster was formed, in which “Minhang District Gene Industry Cluster” was awarded a “characteristic industry cluster of small-and-medium-sized enterprises” in China and Shanghai.

Taopu Smart City

A total of 18,600 square meters of sales area and 48,000 square meters of rental area were completed. The park gathered 297 registered enterprises additionally in the year, with a total of RMB 470 million of tax paid by enterprises in the park.

“Two-wing layout”

Laying roots in the Lin-gang Special Area

As of the end of 2023, six characteristic industrial parks were built in the Lin-gang Special Area, taking up 6/7 of the Lin-gang Special Area.

Lingang Jiading Technology City

With the layout of three incubators, namely “Beihongzhiyun”, “Haiyihui” and “Junji Technology”, and a public service platform, the park gathered Kindly Medical Devices, Argo Biopharma, Nova Electronics and other enterprises.

“Empowerment of new cities”

Lingang Songjiang Technology City

With the national strategic platform of G60 technological innovation corridor and the industrial Internet characteristic park, the park attracted 4,400 enterprises additionally in the year. The enterprises in the park achieved a revenue of RMB161.768 billion. And the park registered an annual tax output of RMB4.694 billion, up 27.32% year on year.

Lingang Nanqiao Technology City

The park boasted characteristic parks of “Oriental Beauty Valley” and “Nanqiao I.C.V Ecological Valley”. As of the end of 2023, the park gathered nearly 5,400 enterprises, with a total of 2,980 various enterprises and 14 high-tech enterprises newly settled in the year.

“North-South Transformation”

Lambda Park

The characteristic park of “Lambda Park” was built to develop the headquarters economy and the digital economy focusing on artificial intelligence. In 2023, 604 enterprises were newly registered in the park, with a newly increased registered capital of RMB 3.027 billion, including more than 36% of digital economy enterprises.

Carbon Valley Green Bay

The characteristic park of “Carbon Valley Green Bay” was established to develop new materials and other fine chemicals. In 2023, it completed a total planned investment of RMB 9.3 billion, and revitalized more than 1,600 mu of land.

◆◆ Integrating into the Yangtze River Delta region

Shanghai-Jiangsu Dafeng Industrial Linkage Cluster Area

With the industrial positioning of “3+X” in new energy, new infrastructure, new agriculture and strategic emerging industries, the park introduced three enterprises additionally in 2023, with a total industrial output value of RMB10.2 billion.

Haining Branch of Caohejing Hi-Tech Park

The park was selected in the Best Practice List of Yangtze River Delta Integration Development in Zhejiang Province. In 2023, it gathered 127 enterprises, with a total fixed-assets investment of RMB 1.38 billion. The enterprises above designated size in the park achieved a total industrial output value of RMB 9.17 billion, with total profits and taxes of RMB 390 million.

Changshu Oasis IC City

In June 2023, Changshu Oasis IC City was opened, and signed contracts with 12 enterprises as representatives of the first batch of enterprises and 13 investment and financing institutions.

◆◆ Serving the Whole Country

Shanghai-Yunnan Lingang Kunming Technology City

To develop the digital economy industry, the park focused on advanced manufacturing, biopharmaceutical, high-end productive services, industrial Internet, new materials and other fields. It was completed and opened in December 2023, with 14 enterprises settled in the year.

Lingang Mohan Industrial Base

In July 2023, the Group signed a strategic cooperation framework agreement with Kunming Municipal Government to establish “two centers and one highland” at the Mohan-Boten Economic Cooperation Area, promoting industrial connections among Shanghai, Yunnan and open areas along the border.

Shanghai-Sanming Lingang Industrial Park

The Group signed a cooperation agreement with Sanming Municipal People’s Government to jointly build Shanghai-Sanming Lingang Industrial Park. In November 2023, Shanghai-Sanming Lingang Industry Linkage Development Co., Ltd. was established officially.

◆◆ Going Global

The Group was active in building cooperation and exchange platforms at home and abroad, strengthening overseas investment attraction, and making more use of overseas resources. By utilizing Hong Kong’s technological innovation resources in a multi-dimensional way, it established a high-level technological innovation resource network with the Hong Kong University, the Hong Kong University of Science and Technology and the Chinese University of Hong Kong, and formed a new-type technological innovation industry development model of “Hong Kong Government’s guidance + social capital + university resources+ Lingang’s management + development in Shanghai”, introducing the Shanghai Center Project of the Hong Kong University in Lingang’s park, and facilitating Birentech and other technological innovation projects to enter Hong Kong.

Promoting Industrial Development

◆◆ Bringing in leading enterprises

Covering high-end equipment, integrated circuits, biological medicine, hydrogen energy source, new materials, consumer electronics, optical electron, information technology, and other fields.

◆◆ Boosting the high-quality industrial development

- Oriental IC Port with a planned monthly manufacturing capacity of **640,000** 12-inch wafers became the leading wafer manufacturing base in China.
- Tesla Gigafactory Shanghai delivered **947** thousand vehicles in 2023, up by 33% year on year.
- Nine enterprises including Sensetime, Primarius, and Heartcare received the first batch of innovative headquarters license in Shanghai.
- Mihoyo topped the list of Top **50** mobile game developers of the year in the world, and a total of 14 enterprises including Iluvatar CoreX were selected as unicorn enterprises, accounting for 23% of the city’s total.
- New Vision was listed on the STAR Market, and MedSci and Neusoft Xikang was listed on the Main board of SEHK.

Empowering Urban Renewal

As a contributor of “regional transformation and urban renewal”, Lingang Group positively coordinated its strength to serve the urban renewal and made contribution to building Shanghai into a modern socialist international metropolis with world influence. By means of equity acquisition, land acquisition after storage, investment resource linkage, and so on, Lingang Group has revitalized the stock of industrial land about 2,200 mu in recent years and provided 1.6 million cubic meters of industrial carrier space.



PART II

Braving the Wind and the Waves to Lay a Solid Foundation for Development

Improving Corporate Governance

- During the Reporting Period, there were altogether nine directors, including shareholder directors, external directors, and employee directors. The age, cultural and educational background, skills, and professional experience of the board members were fully taken into consideration.
- Formulating the *Regulations on the Chief Person in Charge to Fulfill the Responsibility of the First Responsible Person in Promoting the Legal Construction* and setting up the general counsel of Lingang Group.
- Advancing the system enacting, amending, and repealing work and enacting **46** new systems, amending **37** systems, and repealing **62** systems in 2023.
- Strictly abiding by the *Civil Code*, the *Law of the People's Republic of China Against Unfair Competition*, and other relevant laws and regulations; there were no unfair competition lawsuits against the Company.

Deepening Brand Building

- Releasing the brands of Lingang Industry Clusters.

- Lingang Group released an upgraded version of the brand logo with a human touch and vitality, which was composed of two letters "L" and "G", the first letter of Pinyin "Ling and Gang", with dynamic ring ripples, a pearl rising from waves and two colors of blue and orange, strengthening the brand's empowerment.
- Caohejing Development Area "Industrial Park Property Management Services" obtained the authentication certificate issued by SAC and became the first Shanghai park property management service brand in Shanghai.

Strengthening Risk Prevention

- Formulating and completing the *Comprehensive Risk Management Work Focuses*, the *Work Plan for Preventing and Defusing Major Risks in the Economic Field*, and other documents for 2023, to further promote standardized operation, prevent business decisions and management risks.
- Determining **4** categories, **22** subdivisions, and **15** subsidiaries of the group as the work scope of the indicator system construction, of which eight subdivisions, the group and six subsidiaries were served as the first batch of pilot projects in 2023, to complete the sorting of risk points and risk control indicators.
- Completing the investigation on major risks, legal disputes, and overseas vicious competition throughout the group system.
- Doing a good job in the economic responsibility audit and inspection by Shanghai Municipal Audit Bureau.

Abiding by Safe Baseline

- Successfully passing the reassessment of Shanghai Enterprise Safety Production Standardization Level 2 and investing RMB **12.4053** million in work safety, without accidents involving death and serious injury.
- Revising the *Work Safety Responsibility List*, *Work Safety Reward and Punishment Measures of Lingang Group*, safety management system, and the safety assessment rules for each subsidiary, planning and compiling construction engineering safety management manual, instruction manual, and civilized construction standardization handbook.
- Strengthening the building of safety talent team and adding and adjusting **191** safety management personnel through internal training and talent introduction.
- Carrying out **125** work safety training sessions, with a **100%** coverage and **4,279** people trained, totaling **17,116** hours.



PART III

Keeping Company with the Lin-gang Special Area to Embrace Innovation and Strive for World-class Advance

Focusing on Sci-tech Innovation

- There were **13** state-level sci-tech innovation bases and 187 municipal-level sci-tech innovation bases.
- Signing a new round of agreements on strategic cooperation and the cooperation on Proof of Concept Center with Shanghai Jiao Tong University.
- MiraclePlus Shanghai Alumni Center was recognized as a high-quality incubator in Shanghai.
- “Top Incubator” and “Near-zero Carbon Port” Maker Space were recognized as the municipal-level maker space by Science and Technology Commission of Shanghai Municipality.
- Building Large Model Ecological Agglomeration Area (mold innovation incubator), Humanoid Robot Innovation Incubation Center, Shanghai Disruptive Technology Innovation Center, Shanghai Yisi Innovation Center, and other sci-tech innovation platforms.

Tapping into Digital Innovation

- Building digital parks: launching the Park Asset Information Reporting System of the Group to sort through the basic asset data of the four-screen-related scenarios, including “parking, shuttle, canteen, and media”.
- International data economy industrial park: focusing on the planning layout of “one core, three areas, and five linkages” and giving full play to the park in building high-level international data cooperation, high-standard data system innovation, high-energy level data circulation platform, and high-quality international data industry agglomeration.

Insisting on Green Innovation

- There were ten municipal-level green parks.
- Five parks were selected as “Shanghai Low-carbon Development Practice Zone”, and three parks were awarded as “Shanghai Ecological Industrial Demonstration Park”.
- The PV power station in the parks with a new installed capacity of about 2.28 MW and an annual power generation of nearly **1.299** million kWh could reduce about 1,070 tons of carbon dioxide emissions, equivalent to about 391 tons of standard coal.
- In design stage, the total construction area was **1.54** million+ square meters, of which **67%** won the two-star national green building design certification and **33%** won the three-star national green building design certification.
- Establishing green financing framework and sustainable financing framework, inviting the SPO of international rating agencies Standard & Poor’s and Moody’s Investor Service for certification, and obtaining the ratings: Up to Standard and SQS2 (VERY GOOD).



Case 2023 Green Bonds Allocation and Impact Report

On October 28, 2022, Lingang Group successfully issued green bonds denominated in CNY and EUR which the proceeds would be used in accordance with the Green Finance Framework. The Green Finance Framework is presented through 4 core components: Use of proceeds—including six categories of the Group’s Eligible Projects that are in line with corresponding Sustainable Development Goal (“SDG”), Process for Project Evaluation and Selection, Management of Proceeds, Reporting.

For the year ended December 31, 2023, the total net proceeds raised by GSS bonds amounting to RMB1 billion and EUR 50 million. Total amount has been fully allocated to Eligible Projects. No remaining balance of unallocated proceeds at the Reporting Period end. Projects with allocated proceeds include Lingang Industrial Zone Long-term Rental Apartments Project, Global Digital Economy Innovation Island Infinity Isle D0101, Global Digital Economy Innovation Island Infinity Isle D0401.



Scan QR code to view the full version of the 2023 Annual Report on Lingang Group Green Free Trade Zone Offshore Bonds

Optimizing Service Innovation

Modern service industry:

- forming “1+7+X” industry to promote the ecosystem, attracting and bringing in 339 enterprises within the year, realizing a registered domestic capital of RMB14.54 billion and a registered foreign capital of USD220 million.

Productive service:

- starting the construction of hydrogen energy and fuel cell testing base and becoming the first third-party hydrogen energy testing and R&D public service platform covering fuel cell vehicle, electric piles and key components and other technologies in Shanghai.

Life service:

- The blue-collar apartment on Jiangshan Road sealed its top; Fengxian Apartment Phase II, Lingang Public Rental Housing Phase IV, and Lingang Sci-tech City Public Rental Housing completed delivery; a four-month-long service carnival to promote a series of culture-themed activities.

Seeking Financial Innovation

Five major capital platforms:

- including Yuangao Capital, Yuanke Capital, Yuanye Capital, Yuanjin Capital, and Yuanying Capital

Industrial investment:

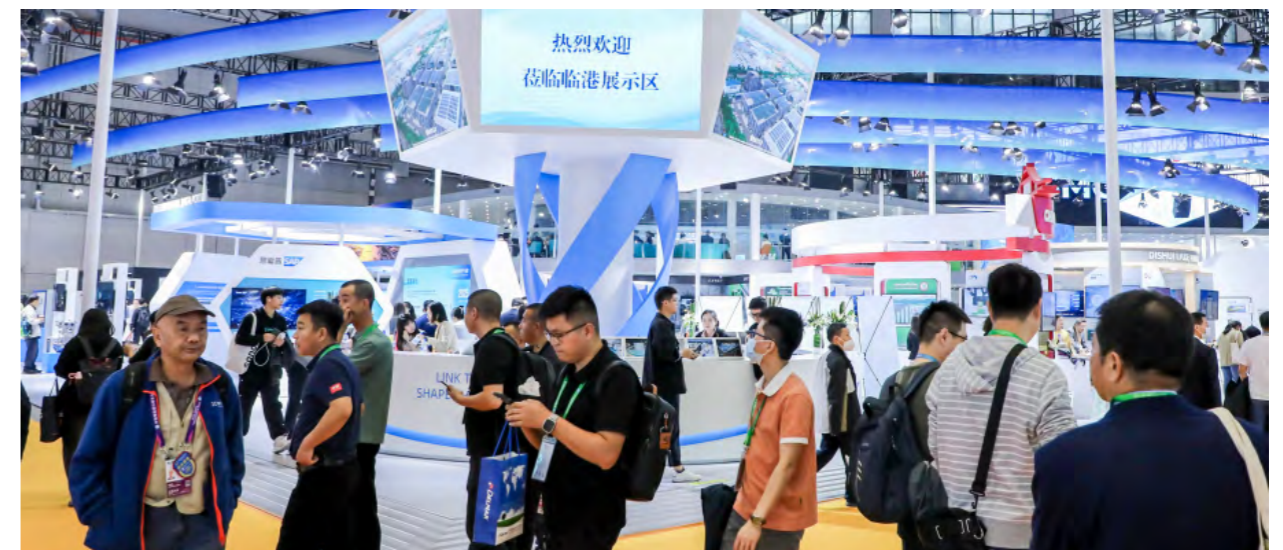
- by the end of 2023, altogether **35** funds have been invested, with a total subscription scale of RMB **126.851** billion.

Financial practice:

- China’s first batch of mixed sci-tech innovation note was officially landed in Shanghai; the Lin-gang Special Area launched the first special loans for Belt and Road-themed bonds and the first offshore RMB loan for Khorgos innovation unit.
- Shanghai Free Trade Zone (Pearl) Bond was awarded the second prize of Shanghai Financial Innovation Achievement Award for its business innovation.

Promoting Overseas Innovation

Lingang Group unswervingly took the road of international development, promoted high-level opening up, continuously strengthen the opening-up efforts, expanded the breadth and depth of opening-up, and built an international exchange and interactive exhibition platform to help enterprises in the parks to broaden their business network.



Lingang Group organized nearly 100 foreign-funded enterprises to participate in the Sixth China International Import Expo.



PART IV

Prosperous Lingang Is in Sight, Successful Cooperative Samples are Established

Promoting Employee Growth through Collaboration

- The signature percentage of labor contracts hit **100%**, the social insurance coverage reached **100%**, and the employee physical examination coverage hit **100%**.
- Formulating the Three-year Action Plan for Building a High-quality Talent Team (2023-2025) and forming **15** major indicators and **30** specific plans of action.
- Investing RMB **11.50** million in employee training, totaling **21,106** hours, with a **100%** training coverage.
- Providing the high-temperature subsidy, poverty relief fund, Spring Festival grand and so on, totaling RMB **552,000**.
- Offering the welfare payment worth RMB **920,000** by means of vegetable basket program, "Tasting Shanghai, Touring Shanghai" and other activities.
- Setting up four nursing rooms.

Joining Hands with Partners to Achieve a Win-win Situation

- Signing **53** new strategic cooperation agreements
- Percentage of suppliers signing the integrity agreements reached **100%**
- In the Reporting Period, altogether **2,754** suppliers were reviewed, and two were terminated from cooperation due to non-compliance.



Lingang Group had around 300 strategic partners accumulatively

Offering Sincere Returns to the Society

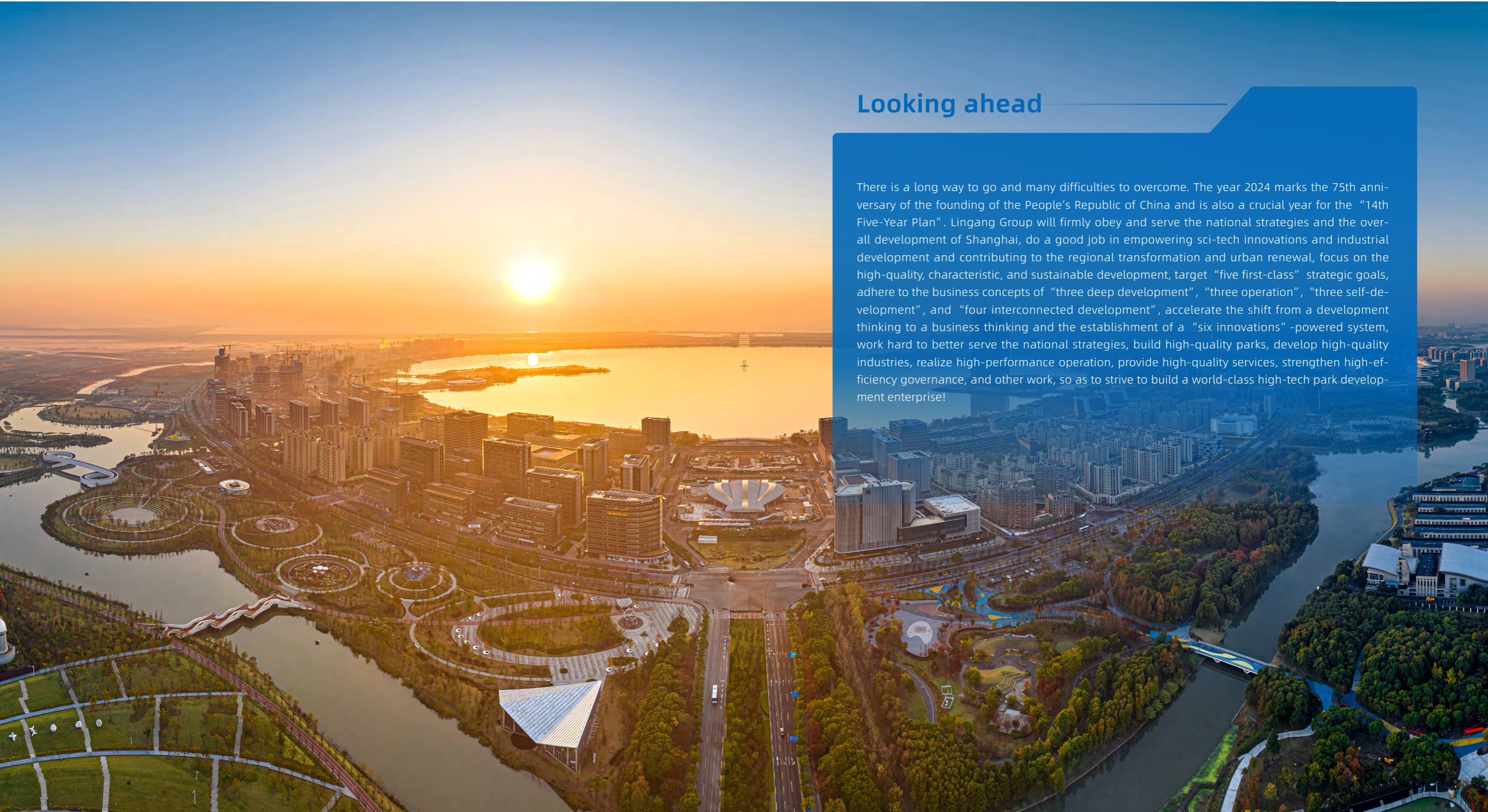
- A total of **779** jobs were posted, altogether **27,747** resumes were submitted, and **4,420** people were employed via the digital platform throughout the year.
- The number of trainees reached **45,421** person-times, of which **31,802** obtained the relevant vocational qualification certificates.
- Shanghai Lingang Public Welfare Foundation carried out **28** public welfare projects, donated a total of RMB **7** million (including donations from the parks and entrepreneurs), offered more than **1,000** hours of volunteer service, benefited over **6,100** people.
- Exploring the "Shanghai Market + Yunnan Products" collaboration mode and opening the Yunnan Products-based Cloud Corridor and Lingang Kunming Exhibition Center to promote the agricultural and special products of Yunnan to enter the Shanghai market.



Excellent graduates of the 2020 session entered Lingang Group



The health management system for the development and construction industrial workers of Lingang Group (health service system)



Looking ahead

There is a long way to go and many difficulties to overcome. The year 2024 marks the 75th anniversary of the founding of the People's Republic of China and is also a crucial year for the "14th Five-Year Plan". Lingang Group will firmly obey and serve the national strategies and the overall development of Shanghai, do a good job in empowering sci-tech innovations and industrial development and contributing to the regional transformation and urban renewal, focus on the high-quality, characteristic, and sustainable development, target "five first-class" strategic goals, adhere to the business concepts of "three deep development", "three operation", "three self-development", and "four interconnected development", accelerate the shift from a development thinking to a business thinking and the establishment of a "six innovations" -powered system, work hard to better serve the national strategies, build high-quality parks, develop high-quality industries, realize high-performance operation, provide high-quality services, strengthen high-efficiency governance, and other work, so as to strive to build a world-class high-tech park development enterprise!

Appendix

Key Performance

Indicator	Unit	2021	2022	2023
Operating income	RMB100 million	118.35	110.62	132.37
Total profits	RMB100 million	42.94	26.52	27.15
Net profits	RMB100 million	30.48	15.89	18.68
Asset size	RMB100 million	1,569.74	1,792.99	2,183.72
Asset-liability ratio	%	64.51	68.24	68.33
Total tax	RMB100 million	15.90	30.87	24.17
Gross industrial output value of the parks	RMB100 million	3,787.43	4,574.43	5,548.65
Revenue of enterprises in the parks	RMB100 million	14,250.24	16,525.68	19,285.82
Total tax paid by enterprises in the parks	RMB100 million	462.65	487.73	581.53
Total investment in fixed assets of the parks	RMB100 million	810.03	974.97	1,066.96
The board's total membership	Person	9	8	9
Percentage of female directors	%	22	25	0
Number of law compliance training sessions	Number	/	14	15
Person-times of law compliance training	Person-time	/	500	550
Percentage of suppliers signing integrity agreements	%	100	100	100
Number of suppliers reviewed in the Reporting Period	Number	1,798	1,312	2,754
The number of suppliers who are terminated from cooperation due to non-compliance with laws	Number	0	0	2
Total employees	Person	3,086	3,285	3,330
Number of headquarters staff	Person	258	281	293
Signature percentage of labor contract	%	100	100	100
Coverage of social insurance	%	100	100	100
Coverage of employee physical examination	%	100	100	100
Investment in employee training	RMB 10 thousand	847	1,093	1,150
Total hours of employee training	Hour	8,688	41,308	21,106
Coverage of employee training	%	100	100	100
Total amount of donations	RMB 10 thousand	1,971	1,601	700
Number of employee volunteers	Person	293	313	313
Total hours of annual volunteer activities	Hour	1,000	1,064	1,076
Person-time of volunteer activities	Person-time	445	507	506

Annual Honors

International honors

Name of honor	Winner	Awarding unit
LEED Green Building Gold Certification	Plot 605 Project's T8 of Taopu Smart City	U.S. Green Building Council and Green Business Certification Inc.
LEED Green Building Gold Certification	Plot 603 Project's 87-T1 of Taopu Smart City	U.S. Green Building Council and Green Business Certification Inc.
Gold winner in Lighting Design category of MUSE Design Awards	Plot 605 Project of Taopu Smart City	International Awards Associate
Prize for Excellence in Building Lighting Design category of LIT Lighting Design Awards	Plot 605 Lighting Project Taopu of Smart City	The 7th U.S. LIT Lighting Design Awards
Silver winner in Lighting Design category of MUSE Design Awards	Innovation Center Phase I of Lingang Songjiang Sci-tech City	International Awards Associate
Asian Design Prize	International Digital Sea Investment & Exhibition Center	BETTER FUTURE
London Design Awards		BETTER FUTURE

State (including ministry and commission)-level honors

Name of honor	Winner	Awarding unit
Excellent Case for Regional Development of Blue Book on Social Responsibility of State-owned Enterprises	Lingang Group	State-owned Assets Supervision and Administration Commission of the State Council
State-owned Enterprise ESG Pioneer 100 Index	Lingang Group	State-owned Assets Supervision and Administration Commission of the State Council
National Demonstration Zone for the High-quality Agglomeration Development of Intellectual Property Service Industry	Caohejing Hi-tech Park	China National Intellectual Property Administration
The title of "Two-star National Youth Civilization"	Caohejing Entrepreneurship Center International Innovation and Entrepreneurship Incubation Service Team	The Central Committee of the Communist Young League and other 22 units
National Excellent Incubator	Caohejing Entrepreneurship Center	Ministry of Science and Technology
The title of "National Workers' Pioneer"	G60 Lingang United Development Business Invitation Team of Shanghai Lingang United Development Co., Ltd.	All-China Federation of Trade Unions
Characteristic Industrial Clusters for SMEs	Shanghai Minhang District Gene Industrial Cluster	Ministry of Industry and Information Technology

**obeyed and served national strategies and overall development demands of Shanghai
Promoter of Sci-tech Innovation and Industry Development Driver
of Regional Transformation and Urban Renewal**



Address: T2 Crystal Innovation Towers, 1515 Haigang Avenue Pudong
New Area, Shanghai, China

Tel: +86-021-38298000

Fax: +86-021-58073390

Website: www.shlingang.com

Zip Code: 201306



Lingang Group WeChat Official Account