

The following content is excerpted from the Notice of the Ministry of Natural Resources on the release of the "Control Index for Industrial Project Construction Land" (MNR [2023] No. 72).

Attachment 1-1

## Application Instructions for Control Index

### I. Classification Criteria

The industry classification shall be implemented in accordance with the "National Economic Industry Classification" (GB/T4754-2017). The classification of strategic emerging industries shall be implemented in accordance with the "Classification of Strategic Emerging Industries (2018)" (National Bureau of Statistics Order No. 23). The classification of advanced manufacturing industries shall be implemented in accordance with the "Statistical Classification of New Industry, New Business Forms, and New Commercial Models (2018)" (National Statistical Code [2018] No. 111). The classification of land grades shall be implemented in accordance with the "Regulations for the Classification and Grading of Urban and Rural Land" (GB/T18507-2014).

### II. Index Interpretation

1. Plot Ratio: The ratio of the total building area within the project site to the total land area of the project.

Plot Ratio = Total Building Area ÷ Total Land Area.

For buildings with a height exceeding 8 meters, the floor area of that level shall be calculated twice when calculating the plot ratio.

2. Building Coefficient: The ratio of the total area occupied by various buildings and structures for production and direct production services within the project site to the total land area of the project.

Building Coefficient = (Area Occupied by Buildings + Area Occupied by Structures + Area for Storage Yards) ÷ Total Land Area x 100%.

3. Proportion of Administrative Offices and Living Service Facilities: The proportion of land area occupied by administrative offices and living

service facilities within the project site to the total land area of the project.

Proportion of Administrative Offices and Living Service Facilities = Area Occupied by Administrative Offices and Living Service Facilities ÷ Total Land Area x 100%. When it is not possible to calculate the area occupied by administrative offices and living service facilities separately, the apportioned land area calculated based on the proportion of administrative offices and living service facilities' floor area to the total building area may be used as a replacement.

4. Fixed Asset Investment Intensity: The fixed asset investment amount per unit area within the project site.

Fixed Asset Investment Intensity = Total Investment in Fixed Assets of the Project ÷ Total Land Area. The total investment in fixed assets of the project includes construction and installation engineering, equipment acquisition, and other expenses incurred during the construction and acquisition of fixed assets.

5. Land Output Ratio: Business revenue per unit land area within the project site.

Land Output Ratio = Project Business Revenue ÷ Total Land Area.

6. Land Tax: The amount of tax paid per unit land area within the project site.

Land Tax = Total Tax Paid / Total Land Area.

### III. Calculation Basis for Indexes

1. The total land area of the project, area occupied by buildings/structures, and area of administrative offices and living service facilities shall be calculated in accordance with the "Cadastral Survey Regulations" (TD/T1001-2012).
2. The total building area of the project and the area of administrative offices and living service facilities shall be calculated in accordance with the "Calculation Code for Building Area of Building Engineering" (GB/T50353-2013).

If the above national standards and industry standards are revised, the revised version shall be followed.