



Beijing United Information Technology Co., Ltd. 2023 Environmental, Social and Governance Report

Beijing United Information Technology Co., Ltd

Environmental, Social and Governance Report

2023

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About the Report

This report is the third environmental, social and governance ("ESG") report independently released by Beijing United Information Technology Co., Ltd., aiming at disclosing to stakeholders the actions taken and the results achieved by the Company in the aspects of environmental, social and corporate governance.

Reporting Cycle

This is an annual report. It has been deliberated and approved for release on August 29, 2024.

Reporting Assurance

Beijing United Information Technology Co., Ltd. guarantees that there are no fictitious records, misleading statements, or material omissions in this report, and the Board of Directors shall ensure that the contents are true, accurate and complete.

Reporting Scope

Unless otherwise stated, the reporting scope is consistent with that of the 2023 financial report of Beijing United Information Technology Co., Ltd., which covers the period from January 1, 2023 to December 31, 2023. Some contents may surpass the above scope.

Reference Standards

The United Nations Sustainable Development Goals ("SDGs"); the GRI Sustainability Reporting Standards ("GRI Standards") of the Global Reporting Initiative ("GRI"); the Corporate Sustainability Reporting Directive ("CSRD") of the European Council; the European Sustainability Reporting Standards (ESRS); the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies – Sustainability Report (Trial); and, the Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises ("CASS-ESG 5.0") of the Chinese Academy of Social Sciences ("CASS").

Terms and Description

For convenience of indication and expression, Beijing United Information Technology Co., Ltd. is also referred to as "Beijing United Information Technology," "the Company," and "we" in this report.

Data Description

The data and information sources in this report are mainly from the statistical data and relevant documents of Beijing United Information Technology Co., Ltd. All currency amounts are in RMB unless otherwise stated.

Report Access

This report is available in both Chinese and English, and is released as an electronic document. For more information, please log on to the official website of the Company at <https://www.ueiibi.com>.

Message from the President



The year 2023 was the first year for fully implementing the guiding principles of the 20th National Congress of the Communist Party of China (CPC), and was also a crucial year for continuing to implement the 14th Five-Year Plan. As a listed company, Beijing United Information Technology has grounded its efforts in the development stage, and forged ahead with enterprise and fortitude. Under the guidance of the overall strategy with the focus on "platform, science and technology, and data," and in line with the annual strategy of "optimizing business structure and deepening business presence," we have kept improving development quality, enhanced scientific and technological capabilities, and promoted the integration of digital and real economy, making a contribution to facilitating the industrial innovation and upgrading.

Facilitating the realization of strategic goals of carbon peaking and carbon neutrality, safeguarding eco-civilization, and jointly building a "green" Beijing United Information Technology that pursues clean and sustainable development.

We have fully and faithfully implemented the instructions made by General Secretary Xi Jinping on eco-environment and green development, taken the initiative to tackle climate change, facilitated the realization of strategic goals of carbon peaking and carbon neutrality, integrated the philosophy of green development into day-to-day corporate operation in an all-around manner, promoted energy-saving, emission reduction, and carbon control, contributing to safeguarding lucid waters, lush mountains and blue skies and conserving the eco-environment. In 2023, we followed the low-carbon, ecological and intelligent idea during the construction of the Digital Economy Headquarters Project (Phase I), and strived to achieve low energy consumption, low pollution and low emissions in all aspects of the project design, implementation and construction, so as to reduce the burden on the environment to the greatest extent possible. We have made full use of our platform advantages and technical strengths to conduct technological transformation and innovation starting from high-energy-consuming equipment and links, committing to facilitating cost reduction and performance improvement of small- and medium-sized enterprises ("SMEs") across the entire industry chain by applying the "digital technology + digital factory" model and the achievement of green and low-carbon transformation.

Unleashing greater creativity, empowering industrial upgrading, and jointly building a "digital" Beijing United Information Technology that empowers real economy.

We have taken the initiative to respond to the national strategy on innovation-driven development, and constantly advanced exploration and practice in the field of AI-empowered industrial digitalization. In 2023, the investment of the Company in R&D reached RMB257.8041 million. Under the guidance of the overall strategy with the focus on "platform, science and technology, and data," we have actively developed the model of "digital cloud factory + digital supply chain + industrial Internet," which has been recognized as a typical case for chain-based digital transformation by the Ministry of Industry and Information Technology ("MIIT"). We have effectively achieved a significant increase in the transaction volume of various Duoduo platforms. In 2023, the operating revenue of Duoduo e-commerce platform reached RMB50.466 billion, hitting a new historical high. We have intensified our efforts to deepen cooperation with various parties and to make common development with all partners. In 2023, we became a partner for the establishment of a pilot zone for Silk Road e-commerce cooperation in Pudong New Area, Shanghai, facilitating the joint development of the Belt and Road Initiative.

Insisting on putting people first, sharing development achievements, and jointly building a "happy" Beijing United Information Technology that safeguards social harmony.

We have followed the people-oriented, open and inclusive idea, actively fulfilled social responsibilities, and shared development achievements with stakeholders. We have kept exploring innovation in digital technology, committing to providing customers with higher-quality products and more customized services. Starting from protecting employees' rights and interests, facilitating employee growth and enhancing employee care, we have constantly improved the senses of gain, happiness and belonging of employees, and created a warm and comfort working environment for employees, striving to achieve common development between the Company and all the staff. We have taken the initiative to undertake the responsibilities of improving people's livelihoods, and have been committed to participating in public welfare and charitable undertakings such as rural revitalization, emergency rescue and disaster relief, contributing to the building of a harmonious society with great love.

Improving corporate governance, enhancing quality and effectiveness in corporate management, and jointly building an "outstanding" Beijing United Information Technology that focuses on high-quality growth.

We have continuously improved corporate governance system, kept strengthening risk management, insisted on law-based corporate governance, guaranteed stable and healthy cooperate operation in a practical manner, and effectively enhanced corporate governance, laying a solid foundation for high-quality and sustainable development of the Company. We have attached great importance to ESG management, integrated ESG into corporate development strategies, and implemented the ESG idea with practical actions, striving to promote coordinated development of economic, environmental, and social benefits. In 2023, we were awarded the "Forbes China ESG Innovation Enterprise," "Responsible Top Bull Awards – ESG Governance Pioneer Award" and other ESG-related honorable titles.

As a Chinese saying goes, "The journey ahead may be long and arduous, but with sustained actions, we will eventually reach our destination." Looking into the future, we will continue to pursue sustainable development, advance the integrated development of digital technologies and traditional industries in a deep-going way, and constantly promote win-win value for the industry chain. Committed to the corporate mission of facilitating cost reduction and performance improvement of traditional industries, we will strive to create a better future with stakeholders.

Qian Xiaojun

President

Beijing United Information Technology Co., Ltd.

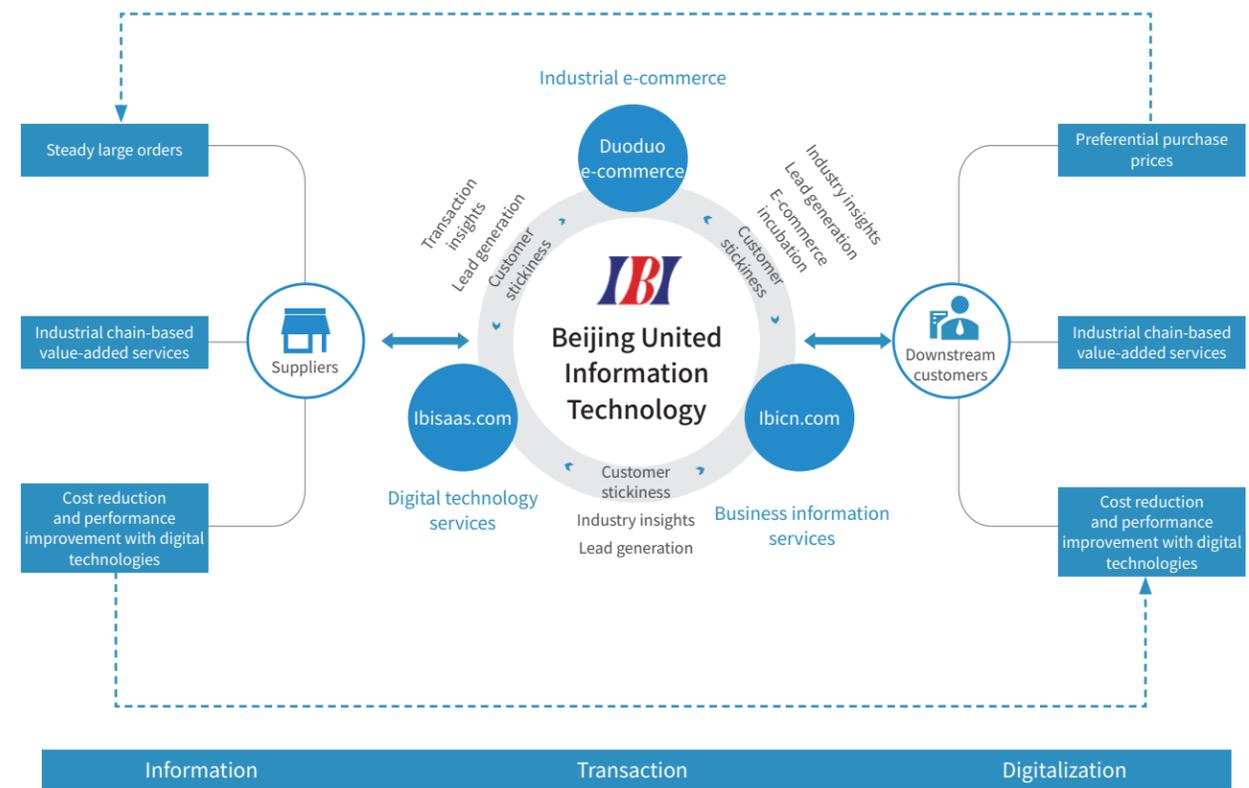
About Us

Corporate Profile

Established on September 6, 2002, Beijing United Information Technology Co., Ltd. (stock code: 603613.SH) was listed on the main board of A-share market of the Shanghai Stock Exchange ("SSE") on July 30, 2019.

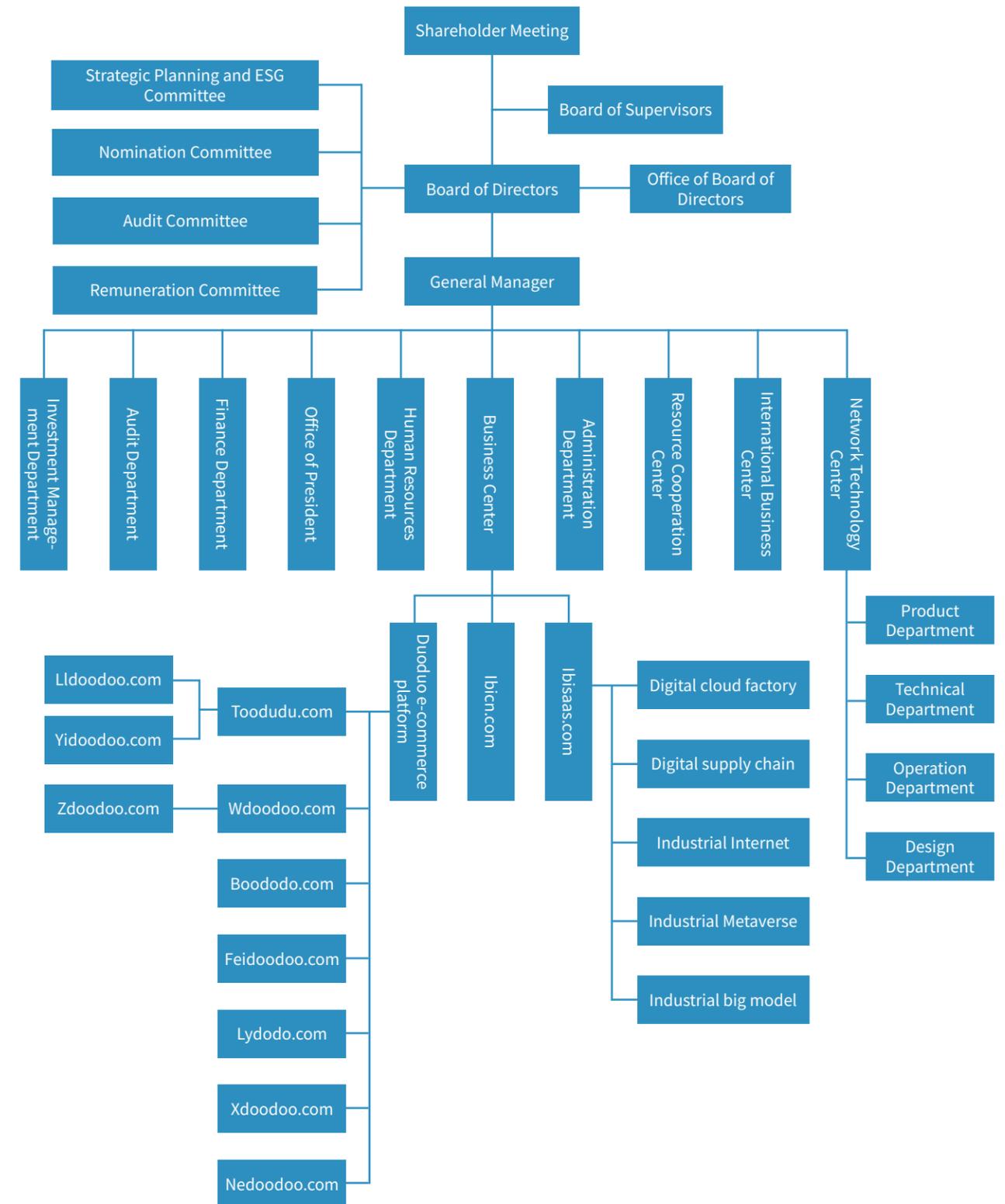
Focusing on the main business of business-to-business ("B2B") digital commerce and industrial Industry platforms, the Company, based on industrial e-commerce and supported by industrial big data, provides online commodity trading of industrial products and raw materials, business information services, and digital technology services for related industry customers. As of the end of 2023, the asset size and the total market capitalization of the Company, with 1,261 employees in total, had reached RMB15.303 billion and RMB15.899 billion respectively.

As a B2B industrial Internet platform enterprise, the Company has taken the lead to launch the closed-loop business model of "information + transaction + service" in the industry. The Company has been committed to realizing in-depth integration between the emerging technologies such as the Internet, Internet of Things, big data, cloud computing, and artificial intelligence, and the traditional industries, so as to achieve the corporate value and mission of promoting cost reduction and performance improvement of traditional industries.



Closed-loop business model of "information + transaction + service"

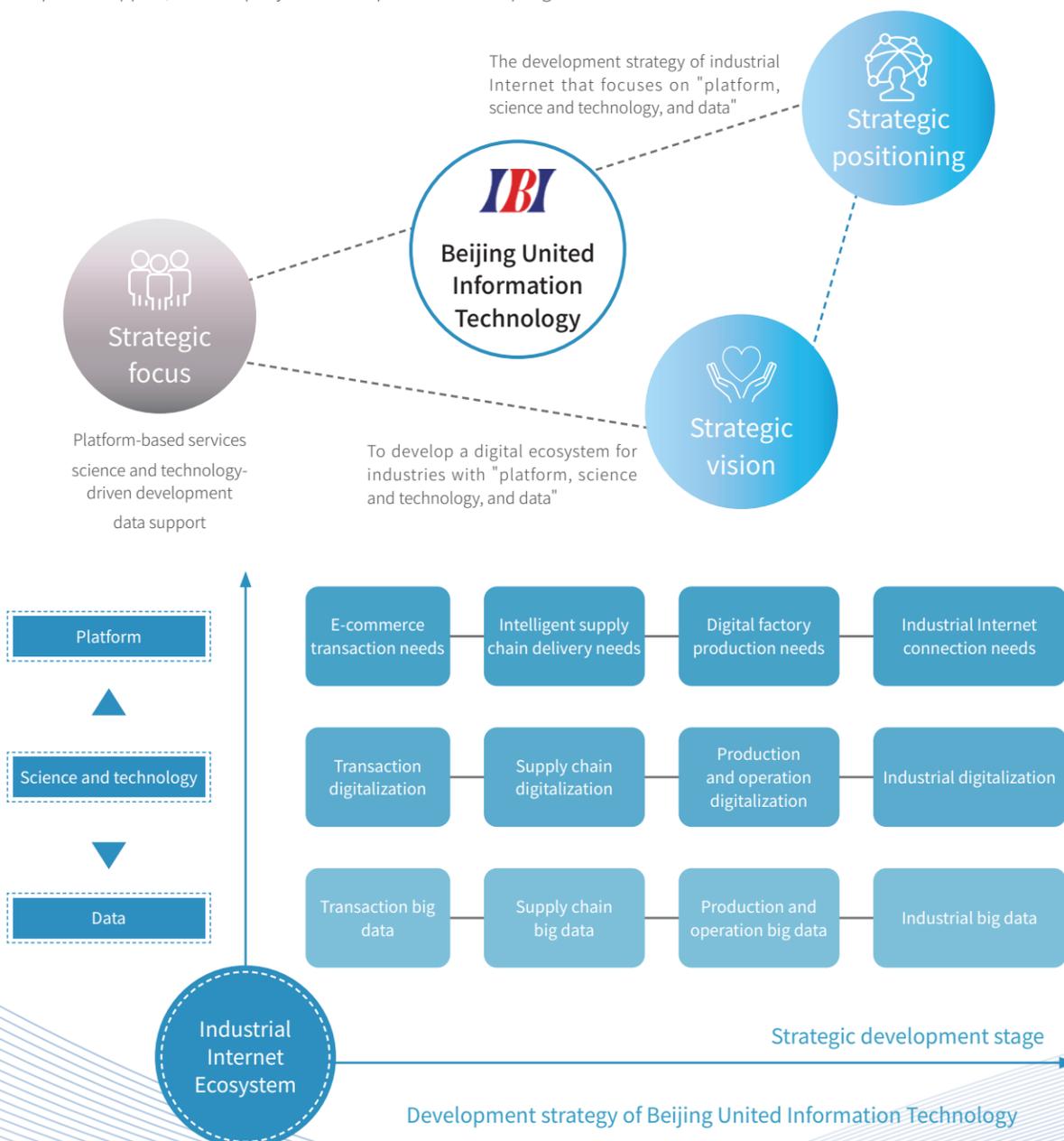
Organizational Structure



Development Strategy

Beijing United Information Technology has thoroughly implemented the development strategy of industrial Internet that focuses on platform-based services and is driven by science and technology and supported by data, and carried out the business strategy of "one body with two wings," that is, to quickly promote the transaction size and platform influence of Duoduo e-commerce, as well as to actively improve the integrated information service capabilities of Ibcn.com, and vigorously enhance the digital technology service capabilities of Ibisaa.com. Through active building of national marketing systems, efficient support of R&D strength, and regulatory improvement of management level, the Company has achieved sustainable and rapid growth.

Closely focusing on major industrial fields such as national digital economy, industrial e-commerce, industrial Internet, and innovation and application of supply chain, Beijing United Information Technology, based on the integration, transformation and improvement of traditional industries, has vigorously implemented the development strategy of B2B e-commerce and industrial Internet. Taking the development of industrial e-commerce platform as the focus, the development of industrial information service platform and the improvement of digital technology service capabilities as the two wings, and the building of a national marketing system as development support, the Company has future promoted the rapid growth of its main business.



Awards and Honors in 2023

- Industrial Internet Pilot Demonstration Project 2022**
Ministry of Industry and Information Technology
- Typical case for Digital and Intelligent Supply Chain 2023**
Alliance of Industrial Internet
- Ranked 343rd in the Fortune China 500**
Ranked 312nd in the Fortune China Top 500 Listed Companies
Fortune
- Ranked 303rd in the 2023 China Top 500 Private Enterprises**
All-China Federation of Industry and Commerce
- Ranked 71st in the 2023 China Top 100 Private Enterprises in Service Industry**
All-China Federation of Industry and Commerce
- Typical case for Chain-Based Digital Transformation of SMEs**
Ministry of Industry and Information Technology
- Toodudu.com: Included in the List of E-commerce Demonstration Enterprises**
Ministry of Commerce

ESG Management

Beijing United Information Technology attaches great importance to ESG management. The Company has integrated the ESG idea into corporate development strategies, constantly improved the organizational structure of ESG management, enhanced the supervision of the management and raised awareness of ESG management in day-to-day operation, and kept strengthening ESG management. The Company has also focused on the expectations and demands of stakeholders, identified and sorted out material issues relating to ESG, implemented the ESG idea with practical actions, and promoted the coordinated development of economic, environmental and social benefits.

ESG Strategic Positioning

In 2023, the Company, in line with its business characteristics and development situation, set nine long-term strategic courses as its strategic positioning of ESG from the three dimensions of environmental (E), social (S) and governance (G). Each small gear will drive the corresponding large gear, and the coordinated operation of the three large gears will drive the sustainable development of the Company.

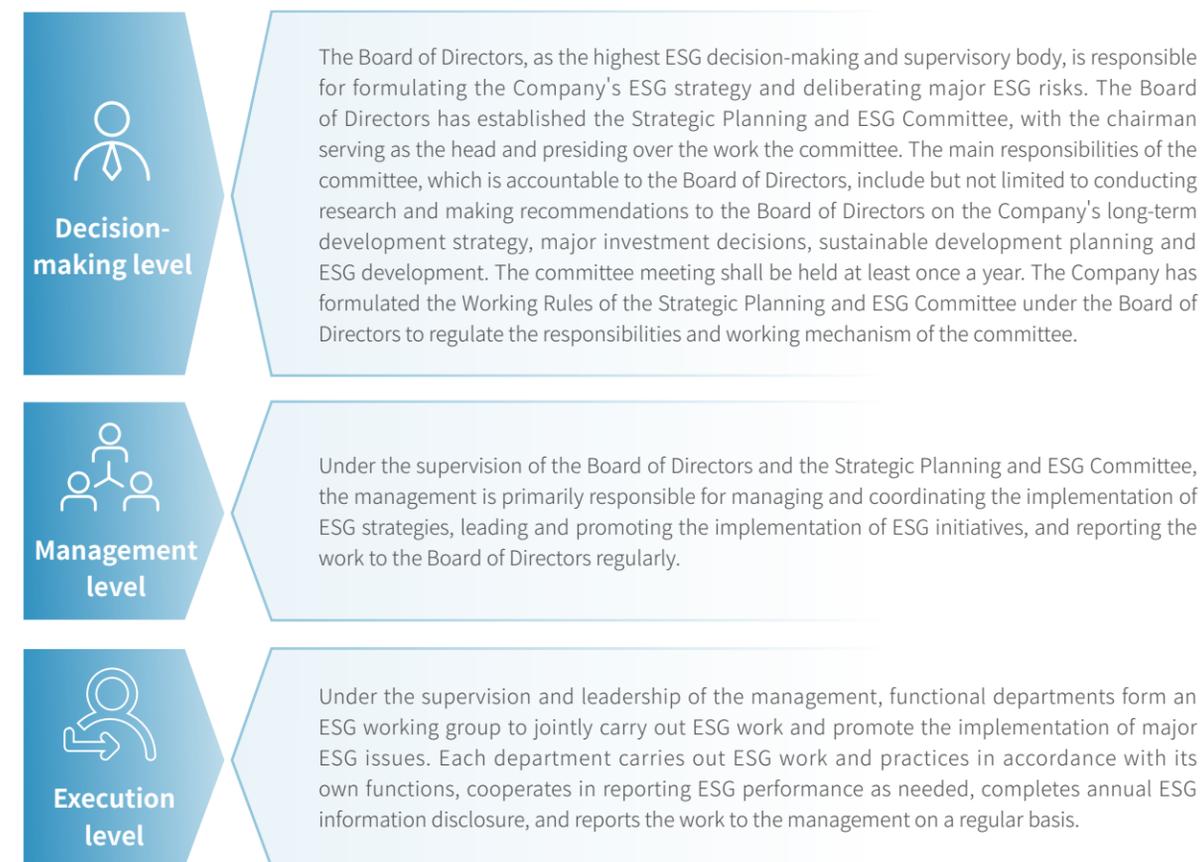


ESG Management Structure

To fully implement the philosophy of sustainable development, the Company has kept improving the ESG management structure, and clarified specific responsibilities and execution of ESG management and related work from the decision-making level, management level and the execution level to effectively enhance ESG management.



ESG Management Structure of Beijing United Information Technology



Communication with Stakeholders

The Company attaches great importance to stakeholder engagement and communication, actively identifies internal and external stakeholders and pays attention to their expectations and demands, and adopts targeted and effective communication channels and approaches to establish close relations with stakeholders, striving to create a sound internal and external environment for harmonious development. In the preparation of ESG reports, the Company has taken the initiative to collect important issues of concern to our stakeholders and integrate them into the its decision-making process.

Stakeholders	Expectations and demands	Response channels and approaches
Government and regulators	<ul style="list-style-type: none"> Legal compliance Pay taxes according to law Employment promotion 	<ul style="list-style-type: none"> Compliance management Create job opportunities Routine reporting and communication
Shareholders and investors	<ul style="list-style-type: none"> Regulate corporate governance Reduce operational risks Improve operation performance Conduct transparent information disclosure 	<ul style="list-style-type: none"> Improve corporate governance Strengthen risk management Disclose information in a strict manner Conduct exchanges and interaction with investors
Customers	<ul style="list-style-type: none"> High-quality services Information security and privacy protection Low-carbon transformation and development R&D and innovation 	<ul style="list-style-type: none"> Improve service quality Protect customer privacy Empower low-carbon transformation Enhance R&D in science and technology
Employees	<ul style="list-style-type: none"> Protection of rights, interests and benefits Growth and development Humanistic care 	<ul style="list-style-type: none"> Sign employment contracts according to law Improve remuneration and benefits Conduct employee training Carry out recreational and sports activities
Partners	<ul style="list-style-type: none"> Transparent information Mutual benefits and win-win results Boost industry development 	<ul style="list-style-type: none"> Promote responsible procurement Conduct strategic cooperation Enhance communication and exchange visits
Environment	<ul style="list-style-type: none"> Tackle climate change Strengthen environmental protection Effective utilization of resources 	<ul style="list-style-type: none"> Enhance environmental management Advance energy-saving and emission reduction Promote green operation
Community	<ul style="list-style-type: none"> Community development Public welfare and charity 	<ul style="list-style-type: none"> Support rural revitalization Conduct volunteer service activities Participate in public welfare activities

Material Issue Analysis

In order to respond to the demands of stakeholder, we have conducted analysis on major ESG issues. From the two dimensions of "importance to external stakeholders" and "importance to Beijing United Information Technology," we have determined the material issues that have great impact on the Company and are of common concern to stakeholders. According to the analysis results, we have formulated the strategies for issue management and disclosure.



ESG Awards and Honors



Social Responsibility Features

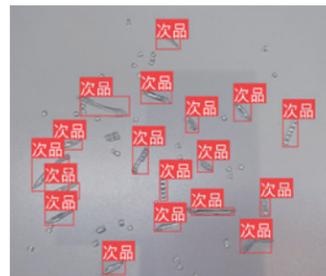
Writing a New Chapter for Industrial Digitalization with AI Empowerment

The Report on the Work of the Government 2024 proposed to make "striving to modernize the industrial system and developing new quality productive forces at a faster pace" as a priority task. As a strategic support for new industrialization, industrial Internet has become an accelerator for the digital transformation of enterprises and an important driving force for new quality productive forces. In order for the industrial Internet platform to truly play a practical role, it must be able to integrate various information systems, break through data barriers, and deeply explore and maximize the value of data. AI is becoming an important technical engine during this process.

As an industrial e-commerce and industrial Internet company, the strategic focus of Beijing United Information Technology is "platform-based services, science and technology-driven development, and data support." During the years of development, we have continuously promoted the strategic planning of each stage starting from industrial e-commerce, met the business demands of transactions, delivery, funds, production, and links of enterprises in real economy through platform operations, and built a science and technology-driven system for platform operations with digital tools for transactions, supply chains, and production management. In the past few years, we have conducted numerous studies and application in the field of AI, committing to establishing a more targeted, efficient, and intelligent industrial Internet platform.

Intelligent Recommendation

- Use deep learning algorithm to analyze user behavior data such as click history records, purchase records, preferences and tags, accurately predict user needs, and provide users with personalized recommendation services, accordingly improving user satisfaction and purchase conversion rate.
- During the manufacturing process in the factory, previous material feeding records, procurement records, operation records, among others, are collected to provide raw material ratio recommendations for production personnel and production system operation recommendations for Distributed Control System (DCS) personnel.



Intelligent vision AI technology is applied to quality inspection on PVC raw materials

Sales and Procurement Forecasting

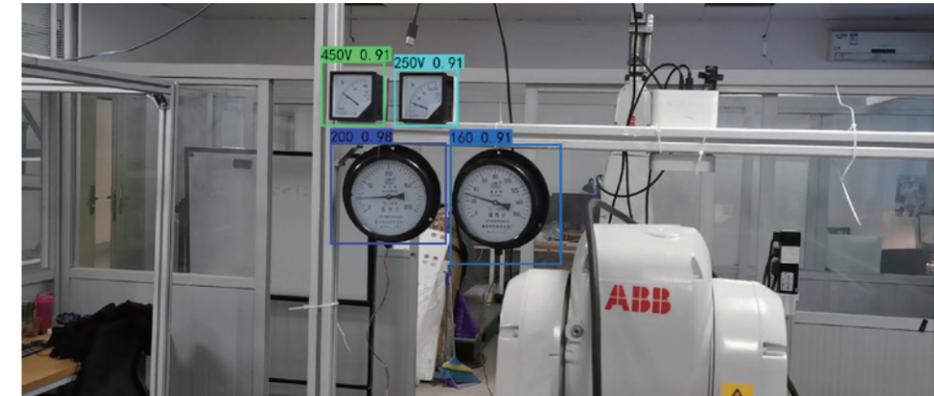
- Utilize the Company's massive data resources of industrial information, capacity distribution, transactions, customers, production, logistics and others to carry out AI model training, predict future market demand and supply, and predict platform users' transaction forecasts based on historical transaction data, thus to help the platform grasp market trends and supply chain changes, and optimize product portfolio and supply chain management, providing more precise and efficient services for customers.



Procurement forecasting

Digital Cloud Factory/Cloud Warehouse Safety Identification

- The Company implemented the "Building of 100 Cloud Factories in Three Years" program in 2021 to provide more supply chain services and digital technology services for the factory side. To ensure work safety, we have deeply applied machine vision technology, and monitored production processes, personnel behavior analysis, abnormal changes in warehouse cargo positions, fire alarm, among others, by using equipment such as cameras and sensors to greatly improve the precision and efficiency of safety monitoring and control, helping the Company achieve more intelligent and efficient production management, and ensuring workers' personal safety and production stability.



Meter reading in cloud factory

Industrial Metaverse – Metaverse Enterprise Solutions

- Based on the technologies such as digital twin and blockchain, the Company has independently developed the industrial metaverse (a virtual world interacting with the real world) project – Metaverse Enterprise Solutions.
- In the metaverse, massive simulation data can be generated through game engine and simulation environment to train various machine vision models. The simulation environment can accurately control various parameters and generate high-quality data, significantly improving the precision of machine vision models.
- Through the game engine and simulation environment in the metaverse, various complex scenarios and dynamic effect can also be generated to train models such as intelligent monitoring model and safety detection model, thereby improving safety management and early warning ability.



Online meeting of Metaverse Enterprise Solutions

As one of the promoters in the field of industrial Internet, we will fully embrace the upgrading and transformation of industries and supply chains by AI technology during the process of industrial digitalization in the future, actively promote the integration of emerging technologies and traditional industries, truly realize AI-empowered industrial Internet, and support enterprises in real economy to improve quality and efficiency, jointly writing a new chapter for industrial digitalization. We will intensify our efforts to achieve sustainable development of the economy and society.

Jointly Creating a Low-Carbon Future with Green Development

A civilization may thrive if its natural surroundings thrive, and will suffer if its natural surroundings suffer. We have fully and faithfully implemented the instructions made by General Secretary Xi Jinping on eco-environment and green development, taken the initiative to tackle climate change, facilitated the realization of strategic goals of carbon peaking and carbon neutrality, helped enterprises achieve green transformation with practical actions, contributing to safeguarding lucid waters, lush mountains and blue skies and conserving the eco-environment. Efforts have been made to build a "green" Beijing United Information Technology and to jointly build a low-carbon, clean and beautiful future.

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Facilitating the Realization of Carbon Peaking and Carbon Neutrality Goals

We have paid attention to the latest progress in global climate change issues, continued to track policy changes and operational risks relating to climate change, fully identified and responded to potential climate risks, seized climate opportunities, and advanced our own green transformation, facilitating to the realization of strategic goals of carbon peaking and carbon neutrality.

Climate Change Risk Management

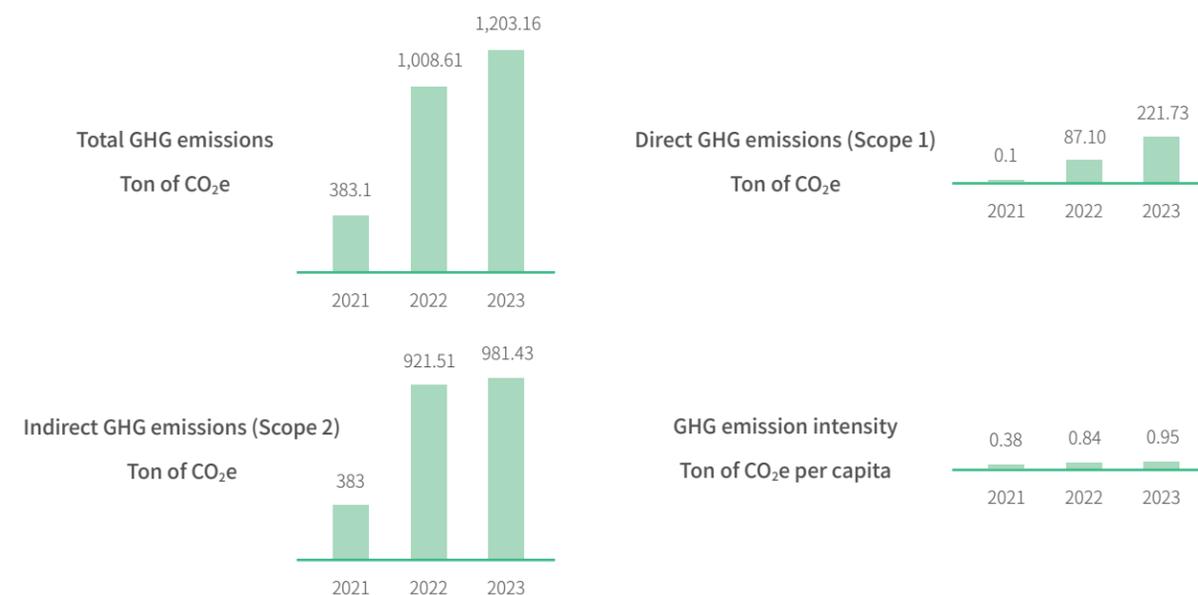
Type of risk	Climate risk factor	Risk description	Countermeasures
	Policy and legal risk	More strict obligations and compliance requirements on emissions reporting	<ul style="list-style-type: none"> Pay close attention to national policies and the latest regulatory requirements, well understand national major development policies, and accelerate the R&D and application of green and low-carbon technologies Improve energy source management systems, formulate the rules and regulations and implement them level by level with regular inspection, and promote the reasonable and efficient use of energy and resources
Transformation risk	Technical risk	Under the background of carbon peaking and carbon neutrality, the Company will face greater challenges on energy conservation and consumption reduction in operation. With the development of corporate businesses, the Company will develop and take new technologies to save energy and reduce consumption, helping the Company to reduce carbon emissions	<ul style="list-style-type: none"> Pay close attention to energy conservation and consumption reduction, carry out paperless office practices, improve online service with a higher intelligent and intensive level Strengthen energy consumption control in office areas, and use energy-saving lamps with new technologies to improve the rate of resource utilization
	Market and reputational risk	Customers and markets pay close attention to the Company's response to climate change. If the Company neglects the reputational risk caused by this reason and fails to make timely adjustment, the Company may lose part potential customers and the stakeholders' evaluation on the Company's market value may be affected	<ul style="list-style-type: none"> Pay close attention to market changes and industry trends, and continuously think about the relations between business and climate change Proactively implement identification, monitoring, and management, and timely disclose the Company's ESG working progress according to regulatory requirements in order to establish a responsible brand image
Physical risk	Acute physical risk	The Company's operation office buildings and data centers are influenced by weather. As an industrial Internet enterprise, the Company increasingly relies on data centers to provide better customer service. If data centers have climate risk, the Company's information security and customer service capacity will face great challenge	<ul style="list-style-type: none"> Pay attention to climate risk assessment while choosing office site, and ensure business operation can support remote operation as much as possible in order to avoid the shut-down risk when office site must be closed due to weather issue Continuously improve the data center's backup capacity for disaster recovery. Expand the construction of remote data centers based on existing data center to continuously enhance the anti-disaster ability of data center, guarantee business continuity, and lower data loss risk and information loss risk for the Company
	Chronic physical risk	Changes in temperature and precipitation, influence on sea level rise, etc.	



GHG Emissions Management

In 2023, Beijing United Information Technology continued to open new office buildings on a large scale, which brought inevitable increase in greenhouse gas ("GHG") emissions. We have attached great importance to GHG emissions management, integrated the green and low-carbon idea into day-to-day operation and work and life, accelerated the research, development, and application of green and low-carbon technologies, actively explored effective carbon reduction paths, and strived to reduce the increase in GHG emissions. We will continue to actively take carbon reduction measures to improve the performance relating to GHG emissions.

GHG Emissions Performance of Beijing United Information Technology, 2021-2023¹



Conducting Green Operation

We have fully integrated the philosophy of green development into day-to-day corporate operation, kept improving environmental management systems, actively carried out energy-saving and emission reduction actions, and implemented green office and green construction, realizing low-carbon and environmentally-friendly development of the Company.



Enhancing Environmental Management

We have continuously improved environmental management systems, strictly abided by the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law of the People's Republic of China and other relevant laws and regulations, and established an environmental management department with clarified responsibilities to ensure the effective implementation of environmental protection work. We have actively carried out green initiatives and environmental protection activities, popularized ecological and environmental protection policies and water-saving knowledge on site, and spread the environmental protection idea to improve employees' environmental protection knowledge and environmental awareness. During the reporting period, no environmental pollution accident or unlawful act against environmental protection occurred in the Company.

¹ The successive opening of new office buildings in 2023 led to an increase in GHG emissions. Measures will be taken to reduce GHG emissions in the future.

Implementing Energy-Saving and Emission Reduction

Energy and Resource Management



In 2023, Beijing United Information Technology continued to open new office buildings on a large scale, which brought inevitable increase in energy consumption. We have always strictly abided by the Energy Conservation Law of the People's Republic of China and other relevant laws and regulations, and continued to improve energy management systems. By formulating the Regulation of Beijing United Information Technology on Energy Management, we have established and improved energy conservation management departments with clarified responsibilities of each department, implemented the energy utilization management system at all levels, and inspected the implementation of the system at regular intervals to achieve refined energy management, scientific energy measurement, and responsible energy conservation. In order to strengthen energy utilization management, we have taken measures compliant with environmental protection requirements to promote rational use of energy, and strived to reduce the increase in energy consumption. In the future, we will continue to actively take energy-saving measures for the improvement in energy management performance.

Indicator	Unit	2021	2022	2023 ²
Total electricity consumption	MWh	655.93	1,615.84	1,720.9
Gasoline consumption	Liter	32,521	40,251	102,466.41 ³
Diesel consumption	Liter	0	0	0
Natural gas consumption	M ³	0	0	0
Comprehensive energy consumption	Ton of standard coal equivalent	81.06	241.52	320.81
Comprehensive energy consumption per capita	Ton of standard coal equivalent per capita	0.08	0.20	0.25 ⁴



We have fully recognized that water resources are limited and are of great importance; however, the increase in various water consumption indicators is inevitable since the Company continued to open new office buildings on a large scale in 2023. We have formulated the Regulation on Water Conservation Management with strict implementation, and carried out a number of water-saving measures while continuously strengthening water resource management, striving to reduce the increase in water resource consumption. In the future, we will continue to actively take water-saving measures for the improvement in water resource management performance.

Water-Saving Measures

- » Remind employees to save water on a daily basis and enhance water-saving awareness among employees
- » Strengthen the inspection on water supply equipment and pipelines, timely repair and replace obsolete equipment, and prevent gas leakage, water spilling, dripping, leakage, etc.
- » Encourage attendants to bring their own cups for large meetings and group activities, reducing additional cups for meetings and the use of bottled purified water

² The successive opening of new office buildings in 2023 led to an increase in energy consumption. Measures will be taken to reduce energy consumption in the future.

³ Due to the major public health incident in 2022, there were fewer conferences, exhibitions, receptions, and field visits and research activities; in 2023, as offline activities gradually resumed, gasoline consumption increased compared with the previous year.

⁴ The installation of digital exhibition halls and intelligent robots, among others, in the Company's new office buildings opened in 2023 led to increase in electricity consumption, thus the per capita energy consumption increased compared with the previous year.

Indicator	Unit	2021	2022	2023 ⁵
Fresh water consumption	M ³	4,604	112,365	118,804.11
Water consumption per capita	M ³ per capita	4.52	93.95	94.21

Emissions Management

As an industrial Internet company, the main emissions generated by Beijing United Information Technology are office and domestic waste. The Company complies with the *Law of People's Republic of China on the Prevention and Control of Atmospheric Pollution*, *Urban Drainage and Sewage Treatment Regulations*, *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and other laws and regulations; and has formulated the *Regulation on Emissions Management*, and carried out strict classified emissions management to further promote pollution prevention and control. During the reporting period, all of the Company's environmental monitoring results met the emission standards, and no administrative penalties were imposed due to environmental issues.

Waste and Emission Reduction Measures



Garbage classification

- ❖ Refine the requirements for garbage classification, types, placement, collection, transportation, and disposal
- ❖ Select and determine the mandatory classification categories such as perishable garbage and recyclables by referring to the classification and evaluation standards of domestic waste
- ❖ Guide employees to consciously and scientifically carry out domestic waste classification



Recycling and reuse

- ❖ Promote the reuse of double-sided paper and copy paper to reduce the number of copies
- ❖ The purchase of office supplies shall follow the principles of low energy consumption, environmental protection, high quality and competitive price, and recyclable use with the receiving and using system of office supplies being strictly implemented
- ❖ Office supplies shall be cleaned up in a timely manner to prevent overstock and waste

Conducting Green Office Practices

We advocate the concept of green office, and implement the principle of "saving each drop of water, saving each kWh of electricity, saving each piece of paper." We have formulated the *Regulation on Green Office Management* to integrate green development into day-to-day office work, create a green office environment, and implement low-carbon and low-energy practices, boosting green development.

⁵ The successive opening of new office buildings in 2023 led to an increase in water consumption. Measures will be taken to reduce water consumption in the future.

Conservation of electricity

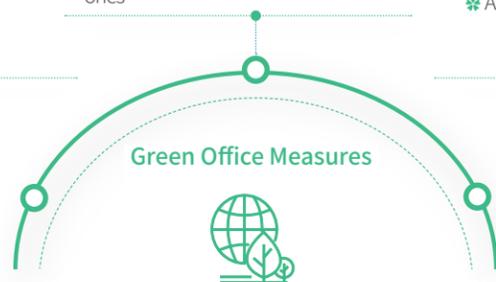
- * Make preferential procurement of electricity-saving and energy-saving products
- * Use natural lighting in clear days to reduce electricity consumption
- * Turn off electric appliances without delay during non-office hours to avoid waste

Conservation of office supplies

- * Clarify the standards for necessary consumables such as paper and pens, and encourage to use paper on double sides
- * Promote digital office and reduce paper consumption
- * Save on cleaning and sanitation tools, and replace old durable goods for new ones

Management of office equipment

- * Strengthen the management of instrument and equipment to improve utilization rate and service efficiency
- * Regularly maintain air conditioners and elevators to extend service life
- * Do not use equipment with worse negative impact on the environment (noise, energy consumption) after repair
- * Avoid equipment operation with malfunction



Promoting Green Construction

Following the principle of green construction, we have implemented the low-carbon, ecological, and intelligent concept in the construction of the digital economy headquarters. We have insisted on selecting durable building materials, carried out design based on the principle of saving materials, made full use of information technology to improve construction and management efficiency, paid attention to the recycling of building materials and the recycling and reuse of construction waste, reduced the environmental pollution caused by dust, noise and lighting at the construction site with all its strength, and strived to achieve low energy consumption, low pollution, and low emissions in all aspects, relieving the burden on the environment to the full extent.



Digital Economy Headquarters of Beijing United Information Technology

Empowering Low-Carbon Transformation

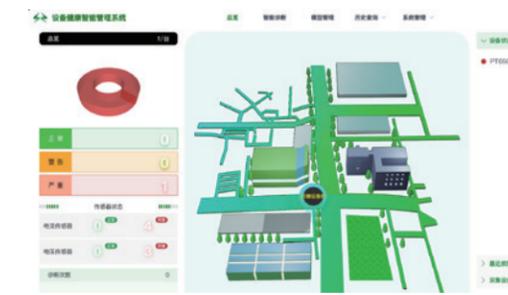
Insisting on the philosophy of green development, we have fully utilized our own platform advantages and technical strength to facilitate SMEs across the industry chain to reduce costs and improve performance, thus to realize green and low-carbon transformation.

We have been focusing on facilitating SMEs to achieve the high-quality transformation of cost reduction and performance improvement in the form of "digital technology + digital factory." By changing the traditional working models of the enterprises, the Company has realized remote real-time monitoring of equipment running condition during production process, quality of work-in-progress products, process variation curves and production plans, and can provide production decisions and scheduling support in combination with the real-time changes in production information. Relying on metering optimization and upgrading, energy data collection, energy statistical equilibrium, energy optimization and utilization, and other functions, the Company has enabled the digital transformation of cooperative cloud factories, and improved their production and operation efficiency to achieve energy conservation and carbon emission reduction. The achievable significant indicators include: 70 percent improvement in the networking rate of key equipment, 10 percent improvement in energy utilization efficiency, comprehensive equipment utilization rate as 60 percent, 10 percent reduction in energy cost, and 30 percent reduction in operating cost.

Up to now, the Company has helped dozens of industry chain-based enterprises achieve production efficiency improvement by 15 percent to 30 percent, equipment downtime reduction by 30 percent to 50 percent, and energy consumption reduction by 5 percent to 10 percent.



Energy management for the digital factory



Monitor the energy consumption of equipment in real time, and make relevant frequency conversion processing according to equipment loading condition

Longsheng Silicon signs digital cloud factory project with Xdoodoo.com

In March 2024, Baotou Longsheng Silicon Material Technology Co., Ltd. ("Longsheng Silicon") and Xdoodoo.com of Beijing United Information Technology officially signed the digital cloud factory project. Longsheng Silicon plans to construct a purification and cyclic utilization project of high-purity silicon with annual output of 75,000 tons. The implementation of this project can solve the pain points of the solid waste and environmental protection issues existing in the photovoltaic (PV) industry development of Hohhot, Baotou, Ordos and Wuhai, and reach a higher level of green and high-quality development of industrial enterprises. Xdoodoo.com will support the factory to achieve nine digital solutions including management digitalization, production digitalization, logistics digitalization, QC digitalization, energy consumption digitalization, and personnel positioning digitalization by providing platform technologies such as industrial big data, Internet of Things, AI intelligent production, and intelligent supply chain, helping the enterprise reduce costs and improve performance.



Signing ceremony of the digital cloud factory project between Longsheng Silicon and Xdoodoo.com

Multimodal transport facilitates cost reduction and performance improvement for titanium concentrate transportation

The Duoduo platform of Beijing United Information Technology has created a Panxi – Shandong warehouse network layout and established multimodal transport for titanium concentrate. After a large number of stable purchase orders for titanium concentrate are collected in Shandong, the central warehouses set in Tianjin Port and Huanghua Port in Hebei Province have changed the logistics pattern of Panxi titanium concentrate which had long been mainly transported by road into multimodal transport. Multimodal transport can make full use of the advantages of each transportation model and avoid the shortcomings, helping realize energy conservation and emission reduction while significantly saving the cost. In this way, the logistics cost of titanium concentrate has been reduced from RMB450-RMB600 per ton to no more than RMB350 per ton.

Jointly Developing Industrial Ecosystem with Digital Technologies

The Report on the Work of the Government 2024 put forward that it is imperative to "strive to modernize the industrial system, develop new quality productive forces at a faster pace and promote innovative development of the digital economy." Under the guidance of the overall strategy of "platform, science and technology, and data," we have insisted on innovation-driven development, and constantly advanced the building of digital platforms, jointly promoting the progress and development of the industry with partners. Efforts have been made to build a "digital" Beijing United Information Technology and to jointly build an industrial ecosystem for innovation and upgrading.

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Insisting on Innovation-Driven Development

Innovation is the source of strengths for corporate development. Insisting on upholding fundamental principles and breaking new ground, we have kept improving innovation mechanisms, intensified our efforts to cultivate talented people, and developed an independent intellectual property rights system. Those efforts have provided a strong support for the Company to unleash innovation potential and enhance innovation efficiency and to achieve high-quality development in an all-around manner.

Improving Innovation Mechanism

We have attached great importance to innovation and R&D, encouraged employees to enhance innovation awareness and capabilities, taken the initiative to advance the transformation of scientific and technological achievements. We have formulated the *Regulation on Management of Corporate Technical Center*, the *Regulation on Assessment and Reward for New Product Research and Development*, and the *Regulation on Supply Chain Innovation and Application Management Center* to keep improving the innovation management mechanism, promote the transformation of scientific and technological achievements and the regulatory and process-based application of those achievements. Those efforts have provided a strong mechanism guarantee for the orderly implementation of project management work and for the improvement of platform-based service efficiency and capabilities.

Cultivating Innovation Personnel

Innovation and talented people are the foundation for an enterprise to achieve long-term development. We have implemented incentive systems for innovation personnel and planning systems for talent team development, aiming at building a contingent of personnel with expertise to achieve innovation in science and technology. We have kept refining the talent cultivation system, taken the initiative to cultivate and recruit product and technical R&D personnel, and established cooperation relations with a number of colleges and universities. We have constantly improved the project R&D system, and built a talent cultivation base for reserve technical personnel. With those efforts and by means of, among others, school teaching, project cooperation, internship, and training, we have developed a contingent of reserve technical personnel.

Protecting Intellectual Property Rights

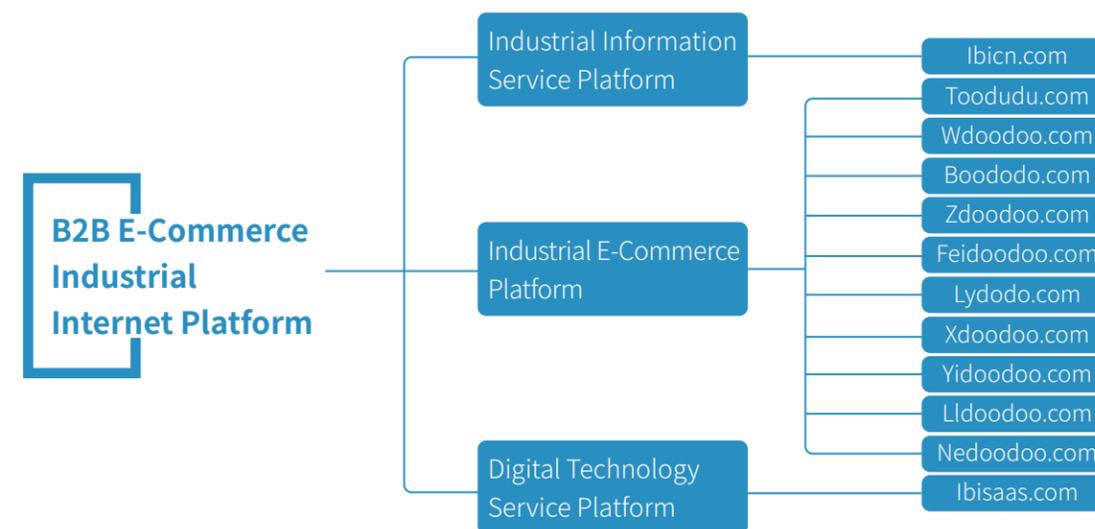
We strictly abide by the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and other relevant laws and regulations, and have formulated the *Administrative Measures of Beijing United Information Technology for Intellectual Property Rights* to carry out project and intellectual property rights management, enhanced intellectual property rights protection, and promote the application and popularization of scientific and technological achievements.

We have set up an intellectual property management department to clarify the right to hold the achievements of intellectual work, conduct infringement probability analysis, and formulate corresponding reward and punishment measures. We have also organized activities for the publicity, study, and experience exchanges of legal knowledge relating to intellectual property rights on a regular basis, striving to improve employees' awareness and capabilities of intellectual property rights protection. As of the end of 2023, the Company had obtained 79 patents cumulatively. During the reporting period, the Company applied 22 patents and obtained 1,008 software copyrights.

Company had obtained 79 patents cumulatively	During the reporting period, the Company applied 22 patents	obtained 1,008 software copyrights
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Building Digital Platforms

With the acceleration of the transformation and upgrading of industrial digitalization, digital technology has gradually become an important "connector" between the real economy and the digital economy. We have built three digital platforms for the industrial sector, offering business information, online transaction and digital technology services to relevant industries. Through deepening industry chain, optimizing supply chain, and improving value chain, as well as rebuilding the ecosystem of traditional industries with digital technologies and digital tools, we have facilitated the real economy to reduce costs and improve performance.



Sharing Information with Resource Empowerment

To realize information sharing, we have developed Ibicn.com, an industrial information service platform. Relying on its rich industry resources in the fields of metallurgy, coal, electricity, machinery, medicine, chemical industry, and so on, Ibicn.com provides business information services such as commercial opportunity information, marketing promotion, exhibition activities, industry information and data products, and industry advertising to enterprises in various industries, and realizes the "online" services of offline yellow pages data, bidding information, product information, and so on. As of the end of 2023, the business of the platform of Ibicn.com had covered more than 100 industrial sectors, with 3.06 million registered members, more than 10 million corporate yellow pages data and more than 110 million bidding and project information resources.



Ibicn.com

In 2023, Ibicn.com, with user operation as the core business, achieved 113 percent growth in terms of information collection and acquisition, and established 26 new first-level industry channels, further broadening the information coverage. Ibicn.com has constantly optimized and upgraded, among others, the membership system, keyword database construction, mobile site iteration, and partial network revision, and continued to improve the construction of information service platforms to promote the sustainable exchanges and sharing of business information, industry information, and so on.

the business of the platform of Ibicn.com had covered more than 100 industrial sectors	3.06 million registered members
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📦 Promoting Transaction Connectivity with Industrial E-Commerce

At present, the e-commerce industry is maintaining a rapid development trend, constantly injecting new vitality into the revitalization of the real economy. We have built the industrial e-commerce platform characterized by a number of "Duoduo" e-commerce platforms to provide efficient online commodity trading services for upstream and downstream industries such as coatings and chemicals, sanitary products, and glass, activate the consumer market, and help accelerate the integration of the digital economy and the real economy. Relying on the Company's technical strength and R&D of platform systems, the industrial e-commerce platform provides enterprises with supply chain SaaS (Software as a Service) services for free such as cloud ERP, logistics sharing system, spare parts sharing system, electronic contracts, and online payment.



In 2023, the Duoduo platforms upgraded their homepages, supermarket, market and other pages, optimized the user operation process, and greatly improved the user experience and usage efficiency; established cooperation relations with Industrial and Commercial Bank of China (ICBC) to provide corporate customers with comprehensive online settlement services that ensure "fund security, convenient processes, and controllable risks" through the "ICBC e-Corporate Payment"; optimized the platform design, functions, technical support and others to upgrade the user experience of international sites; and launched marketing and promotion tools and campaigns such as "Digital Business Card" and "Trader Communication," to provide merchants and users with rich interactive and entertainment functions.

¥ Reducing Cost and Improving Performance with In-Depth Integration of Emerging Technology and Real Economy

We have developed that Ibisaa.com, a digital technology service platform, which has been committed to advancing the in-depth integration of the Internet, Internet of Things, cloud computing, big data, AI, blockchain and other emerging industries and the real economy, to provide various digital technology solutions and cloud application services for industrial enterprises. We have built a digital technology service system including digital factories and PTDCloud industrial Internet, intelligent supply chain, live streaming platform, remote office platform, enterprise VR, cloud market, among others, to help industrial enterprises reduce costs and improve performance. As of the end of 2023, the "Building of 100 Cloud Factories in Three Years" program, which was launched in 2021, had signed digital cloud factory agreements with 56 enterprises.

- Digital factory + PTDCloud industrial Internet platform**
 - Management digitalization: Implement OA, ERP, MES and other systems
 - QC digitalization: Upgrade quality inspection equipment
 - Safety monitoring digitalization: Conduct real-time monitoring of plant safety
 - Energy consumption digitalization: Equip intelligent electric meters and sensors
 - Logistics digitalization: Implement unmanned terminal program
 - Production digitalization: Deploy border gateway and air-gapped systems
 - Order check digitalization: Get order information accurately
 - Equipment management digitalization: Maintain equipment through information systems
- Intelligent supply chain**
 - Smart logistics platform: Establish online freight transport platforms and Cainiao-style network for bulk logistics
 - Cloud warehouse platform: Provide one-stop digital warehousing solutions
 - Digital harbor: Build digital operation systems
- Live streaming, remote office, enterprise VR, and Ibisaa cloud market**
 - Live streaming platform: Provide cloud live streaming and all-platform live streaming
 - Remote office platform: Provide SaaS service for office use
 - Enterprise VR: Realize the all-round online interactive live-action viewing
 - Ibisaa market: Create cloud service ecosystems



"PTDCloud industrial Internet + digital and intelligent supply chain platform" was selected in the list of Typical Cases for Digital and Intelligent Supply Chain 2023

"PTDCloud industrial Internet platform-based industry chain and supply chain collaborative digital transformation solutions" was selected in the list of Industrial Internet Pilot Demonstration

📄 RMB25.649 billion! 8th Duoduo 10/10 E-Commerce Festival facilitates new consumption model

At 21:00 on October 10, 2023, the 8th Duoduo 10/10 E-Commerce Festival held by Beijing United Information Technology successfully concluded. A total of 50 major categories operated by the 10 e-commerce platforms of the Duoduo series participated in the event simultaneously, with total orders exceeding RMB25.649 billion, an increase of 48.9 percent year-on-year. The festival was launched on September 12, 2023. All of the cloud factories, cloud warehouses and cloud logistics efficiently started stocking model to provide strong supply support for the event. All of the Duoduo platforms launched warm-up activities such as the "10/10 Express Lane," "10/10 Ranking," and Prized Samples to meet the diverse needs of users. The festival has been held eight times since 2016. Beijing United Information Technology has fully leveraged the advantages of its e-commerce platform to provide an efficient trading platform for companies in the industry chain, and affordable purchasing opportunities for users, continuously contributing to activating market consumption.



8th Duoduo 10/10 E-Commerce Festival

Beijing United Information Technology selected as typical case for Chain-Based Digital Transformation of SMEs by MIIT

In October 2023, Beijing United Information Technology was successfully selected in the list of typical cases of Chain-Based Digital Transformation of SMEs by the Ministry of Industry and Information Technology ("MIIT") at the National Digital Transformation Conference of SMEs. To empower the digital transformation and upgrading of SMEs, Beijing United Information Technology has built an intelligent supply chain collaboration platform to provide enterprises with services such as digital supply chain, digital factory and industrial Internet, solve problems such as non-transparent information and poor collaboration, and achieve efficient collaboration among enterprises in collaborative R&D, order management, and production capacity sharing. At present, the Company has removed barriers in a number of vertical supply chains such as titanium, alcohol and sanitary paper. By efficiently utilizing logistics, business flow and other resources in each supply chain, the Company has improved the overall resource utilization efficiency of enterprises in the supply chain, comprehensively achieving a 15 percent to 30 percent increase in production efficiency, a 20 percent to 30 percent decrease in operating costs, and a 40 percent to 60 percent increase in order delivery cycle. Those efforts have effectively promoted the digital transformation of SMEs in the supply chain.



Achieving Industrial Collaboration and Win-Win Results

We have always maintained an open and enterprising attitude, and have been committed to building an industry ecosystem featuring mutual benefits and win-win results. We have kept enhancing supplier management, insisting on the principle of responsible procurement, and deepened cooperation and exchanges with partners, jointly promoting high-quality development of the industry.

Regulating Supplier Management

We have attached importance to the regulatory management on suppliers. We have formulated the Administrative Measures for Suppliers and clarified management responsibilities to keep developing supplier management capabilities. Through building a complete supplier onboarding, assessment, exit and review process, we have conducted lean and strict supplier management and evaluation to ensure that the qualifications, capabilities and reputation of our partners meet corporate standards. At the same time, we have strengthened supplier assessment and evaluation to help suppliers grow, striving to achieve win-win and common development for the Company and suppliers. As of the end of the reporting period, the Company had 2,734 suppliers participating in trading.



Supplier onboarding

The Company requires suppliers to provide qualification documents, and has established a supplier authentication team to investigate suppliers' qualifications. Supplier list is confirmed according to the investigation grading results.



Supplier assessment

The Company carries out annual assessment on suppliers according to the Supplier Assessment Form, classifies suppliers by grades based on the assessment results, and sends the results feedback to suppliers for further improvement.



Supplier exit

The Company clarifies the conditions for suppliers to exit. Any supplier failing to qualify, or refusing to improve or cooperate will be deprived of the supplier qualification.



Supplier complaints

The Company receives supplier complaints and coordinates with business departments according to the complained contents.

Insisting on Responsible Procurement

Following the fair and impartial procurement principles and insisting on the philosophy of green procurement, green packaging, and green logistics, we value the green development and performance of suppliers, pay attention to and consider their environmental and social risks during supplier onboarding and cooperation, and deliver the value of sustainable development to suppliers. We have taken the initiative to conduct responsible procurement, and give priority to products that meet specific environmental protection requirements throughout the product life cycle, are harmless or less harmful to the environment, have high resource utilization and low energy consumption in procurement, thereby encouraging suppliers to improve their environmental performance.

Deepening Cooperation and Exchanges

Adhering to the philosophy of win-win cooperation, we have continuously intensified strategic cooperation with stakeholders such as the government and enterprises, strengthened complementary advantages to achieve resource sharing, actively integrated into the Belt and Road Initiative, accelerated business establishment in overseas market, and enhanced industry exchanges by holding or participating in industry-related forums and salons, joining hands with partners to promote high-quality development of the industry.

Strategic Cooperation

- In May 2023, Toodudu.com signed a strategic cooperation agreement with Thailand Tavorn Rubber Group. The two parties will carry out in-depth cooperation in the entire industry chain, including overseas digital cloud factories, long-term purchase and sales agreement for latex import, and other businesses.
- In May 2023, Huawei Cloud and partners including Beijing United Information Technology established an industrial digitalization innovation consortium to connect the leading enterprises and industry operators in the field of industrial digitalization, promoting the modernization of industrial applications.
- In June 2023, Ildoodoo.com signed a strategic cooperation agreement with Canada Polar Skydome Business Group Inc. to jointly promote better and faster development of the cold chain industry.
- In August 2023, Xdoodoo.com signed a strategic cooperation agreement with Hypercycle Ventures and Advanced Manufacturing EDA Co., Ltd. (AMEDAC). The three parties will carry out all-round cooperation in industrial resource integration, industrial funds, industrial media and other fields.
- In September 2023, Beijing United Information Technology signed a strategic cooperation agreement with CEC Industrial Internet. The two parties will work together to build a digital supply chain system, including digital cloud factories, cloud warehouses and cloud logistics, and digital industrial parks of Beijing United Information Technology.
- In November 2023, Beijing United Information Technology signed a MOU on cooperation with Shandong Port Overseas Development Group Co., Ltd. and AD Ports Group. The three parties have reached the cooperation intention on the cross-border business cooperation of Chinese automobile equipment industry chain in the United Arab Emirates.

Beijing United Information Technology facilitates the joint development of the Belt and Road Initiative

In December 2023, Beijing United Information Technology and 8 key platforms including Alibaba International Digital Commerce Group, Pinduoduo, and JD.com, Inc. signed a cooperation partnership agreement with Pudong New Area Commerce Committee and China (Shanghai) Pilot Free Trade Zone Administration Shanghai FTZ Authority for the construction of the Silk Road e-commerce cooperation pilot zone, jointly helping Pudong New Area boost the high-quality construction of the Silk Road e-commerce cooperation pilot zone. Beijing United Information Technology will enhance the promotion of the "industry belt + cross-border e-commerce" strategy, reduce costs and increase performance through cross-border platforms, and promote the coordinated development of enterprises in the industry chain, contributing to the high-quality development of the Belt and Road Initiative.



Beijing United Information Technology signed an agreement as a partner for the establishment of a pilot zone for Silk Road e-commerce cooperation in Pudong New Area, Shanghai

Industry Exchanges

- In March 2023, Lydodo.com co-organized the 4th Global Oils and Oil Seeds Industry Summit
- In April 2023, Toodudu.com co-organized the China International Coatings Summit
- In May 2023, Wdoodoo.com participated in the 7th Global Cross-border E-commerce Conference, and signed key projects
- In June 2023, Beijing United Information Technology participated in the 2023 China Langfang International Economic and Trade Fair
- In June 2023, Beijing United Information Technology participated in the Shanghai Cooperation Organization Industry Chain and Supply Chain Forum, and signed key projects
- In November 2023, Beijing United Information Technology participated in the Belt and Road Conference for Service Trade Cooperation
- In November 2023, Toodudu.com co-organized the China Vanadium-Titanium Forum & Strategic Seminar for Comprehensive Utilization of Vanadium-Titanium Resources
- In December 2023, Wdoodoo.com participated in the 1st Global Partner Conference for China-Europe Railway Express (Chengdu & Chongqing)
- In December 2023, Wdoodoo.com participated in the CNCGC Industrial Base Supply Chain Innovation Promotion Conference

Second Congress of the Industrial Internet Digital Ecological Alliance of Beijing United Information Technology held in Beijing

In November 2023, the 2nd Congress of the Industrial Internet Digital Ecological Alliance of Beijing United Information Technology was held in Beijing, with the theme of "Digital Intelligence for Thousands of Enterprises, Realization of Ecological Integration." More than 230 technology enterprises in the fields relating to industrial Internet, including Beijing International Data Exchange, Zhongguancun Alliance for Integration of Information Technology and Real Economy (AIITRE) Industrial Internet Working Committee and Huawei Cloud, attended the event to jointly discuss the new cooperation model of digital factory + industrial Internet and promote the in-depth integration of digital technologies and traditional industries. During the event, Beijing United Information Technology reached cooperation with a number of technology enterprises, laying a solid ecological foundation for the smooth implementation of future digital cloud factories and digital supply chains.



Signing ceremony for platform-based cooperation of the Industrial Internet Digital Ecological Alliance of Beijing United Information Technology

Jointly Delivering a Better Future with People-Oriented Philosophy

Insisting on the people-oriented philosophy, we have taken the initiative to fulfill social responsibilities, and have been committed to providing high-quality service experience for customers, creating warm and comfort working environment for employees, improving people's wellbeing and sharing development achievements with stakeholders. Efforts have been made to build a "happy" Beijing United Information Technology and to jointly deliver a harmonious, better and high quality of life to people.

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Enhancing Customer Experience

Insisting on the customer-oriented principle, we have gained a deep insight into customer needs, strengthened product quality management, improved after-sales service mechanisms, protected customer privacy and information security, strived to provide excellent customer service, and kept improving customer satisfaction and optimizing customer experience.

Strengthening Quality Management

We strictly abide by the *Product Quality Law of the People's Republic of China*, the *Law of the People's Republic of China on Import and Export Commodity Inspection*, and other relevant laws and regulations, and have formulated the *Regulation on Post-Based Quality Responsibility*, *Regulation on Product Quality Inspection*, *Regulation on Reserved Product Sample Observation*, *Regulation on Standard and Quality Guarantee*, and other internal rules and regulations to continuously improve quality management systems and enhance product quality management control. We strictly control supplier screening, product labeling, logistics and transportation to ensure that the products on the platform meet national product quality requirements and meet customer needs.

Supplier screening

Select qualified suppliers to work with, and control product quality from the source; Suppliers must provide quality test reports; non-conforming products are forbidden to load on truck.

Product specifications

The Company requires all products provided by suppliers must be attached with tags of product name, manufacturer, specification, main ingredients and corresponding content.

Real-time logistics tracking

The Company has developed cloud logistics tracking system with BeiDou positioning to update current vehicle location and speed every 10 seconds, making it beneficial to improve transport efficiency and service level, as well as control transport risks.

Improving After-Sales Service

We have formulated the *Rules for the Management of After-Sales* with clarified assessment rules, assessment indicators, reward and punishment mechanism, among others, to effectively motivate relevant departments to improve their after-sales service. We have actively developed and improved relevant functions of the customer service system and the after-sales management system of Ibisaa.com to improve the processing efficiency of after-sales service, enhance customer shopping experience, and maintain customer relationships. We have formulated the *Rules for the Management of Customer Complaints*, established a closed-loop complaint management mechanism for pre-prevention, in-process control and post-improvement, and opened customer complaint feedback channels to handle customer complaints in a timely and effective manner. We have also set up online service evaluation channels, opened a 24-hour 400 service hotline, established regional marketing centers in East China, South China, Southwest China, Central China, North China, Northeast China, and so on, and organized offline centralized procurement salons and industry conferences and activities to deeply understand customer demands and continuously improve customer satisfaction. The response rate of customer complaints of the Company reached 100 percent in 2023.

Ibisaa customer service system

- » Real-time interaction: Real-time communication and interaction via customer service system to solve users' problems in a timely manner; and, guarantee handling of users' problems during offline hours through message management.
- » Comprehensive functions: Corporate information, service session management, setting change, permission management, personnel management, history record, operation log, call record, intelligent customer service, etc.
- » Quality monitoring: Track and give feedback on the handling of customer service to ensure problems are solved and customer satisfaction is maintained in the meantime.

After-sales management system

After placing an order, user can apply for a sales return due to product quality, logistics, product changing or refunding, or other issues. After reviewing the request, the system will guide the return procedures to ensure a transparent and efficient process.

Guaranteeing Information Security

We attach great importance to network information security, and strictly abide by the *Cybersecurity Law of the People's Republic of China* and other laws and regulations. We have formulated a number of corporate regulations and rules, including the *Operating System and Database Security Management System*, the *Network Data Security Information Plan*, the *Regulation on Cybersecurity Vulnerability Management* and the *Information Security Accident Handling Mechanism*, and continuously improved information security management mechanisms to ensure smooth network communications and normal operation of business systems, and improve the Company's network and information security level.

We abide by the *Personal Information Protection Law of the People's Republic of China* and other laws and regulations, and have formulated the *Full-Process Protection Management System for Personal Information Processing*, the *Hierarchical Classification Management System of Personal Information*, the *Personal Information Protection Impact Assessment Process* and other corporate regulations and rules to comprehensively protect customers' privacy and information security. We have also organized and carried out education and learning activities relating to customer information security, and improved employees' awareness of information security and confidentiality to guarantee personal information security. During the reporting period, the Company did not have any cases of customer information leak or abuse.



Measures for Customer Information Protection



Raising Employee Happiness

Talented people are the primary resource for enterprise development. Adhering to the talent-oriented development concept, we have always respected, recognized, and treated every employee well, firmly protected employees' rights and interests, facilitated employee growth and development, and fully implemented employee care, striving to create a working environment that trusts, respects, well treats and cares about talented people.

Safeguarding Rights and Interests of Employees

Insisting on Equal Employment

We strictly abide by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other laws and regulations, and have formulated corporate documents such as the *Regulation on Recruitment, Entry/Resignation and Employment Management*, the *Discrimination Prohibition Management System*, the *Policies and Procedures for Preventing the Employment of Child Labor* and the *Forced Labor Prohibition System*. Adhering to an open, fair and impartial recruitment process and the principle of equal employment, we oppose any form of discrimination, prohibit the employment of child labor, resist all forms of forced and compulsory labor, and complete the signing of employment contracts for new employees timely, striving to protect employees' legal rights and interests. In 2023, the Company completed the recruitment of 290 people, carried out university-enterprise cooperation with 7 universities in, among others, Beijing, Hebei, and Anhui, and recruited 82 fresh graduates throughout the year. As of the end of the reporting period, the Company had a total of 1,261 employees, and the signing rate of employment contracts reached 100 percent. No child labor or forced labor occurred during the reporting period.

Employee composition in 2023

Unit: (person)

Male employees Female employees

536

725



Employee composition by gender

Unit: (person)

Employees under the age of 30

512

Employees between the ages of 30 and 50

716

Employees over the ages of 50

33



Employee composition by age

Unit: (person)

Ordinary employees Employees in the management

1,001

260



Employee composition by rank of position

Unit: (person)

Employees in Beijing

818

Employees in other regions

443

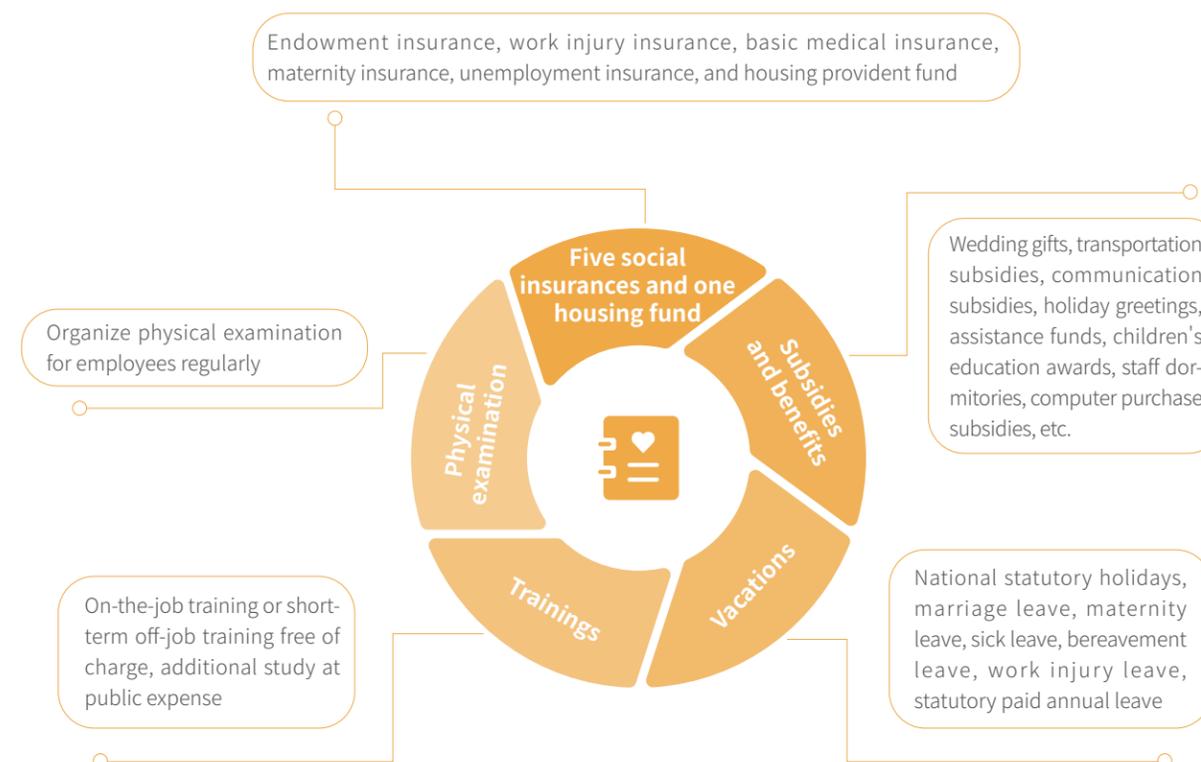


Employee composition by region

Improving Remuneration and Benefits

We strictly follow national regulations, and have formulated the *Remuneration and Performance Management System* and the *Employee Benefits System* in line with actual corporate situations. We have improved and perfected the online management system of remuneration and performance, and established a salary system and a good benefits system which link contribution with salary returns to realize the established value of the enterprise and the individuals, give full play to the incentive effect of the salary system on employees, attract and retain talented people, and enhance the cohesion of the Company.

Remuneration and Benefits System of Beijing United Information Technology



Strengthening Democratic Management

In order to establish harmonious labor relations, we attach great importance to democratic management, respect and protect employees' democratic rights, such as the right to know, the right to participate, the right to express, and the right to supervise. During the reporting period, the Company established the channels for whistleblowing, and offering opinions and suggestions, and implemented follow-up actions in a timely manner. The Company also set up a supervision team, established and improved the incentive and constraint system. The all-hands meeting in 2023 publicized relevant matters for 6 times, organized 6 special discussions on environmental improvement and humanistic care, invited employee representatives from different departments and positions to participate, and encouraged employees to offer advice and suggestions for the development of the Company, effectively promoting the construction of the Company's organizational culture.

Enhancing Occupational Health and Safety

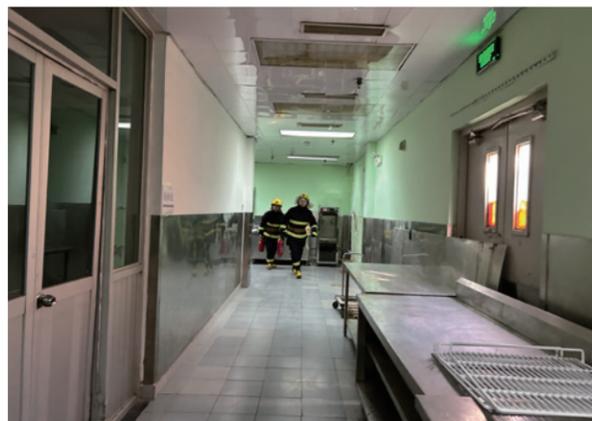
We put employees' health and safety first, and strictly abide by relevant laws and regulations such as the *Fire Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases*, and the *Labor Law of the People's Republic of China*. We have formulated and implemented the *Regulation on Occupational Health and Safety Management* to clarify risk categories, control objectives, completion indicators and control measures, and defined corresponding implementation to responsible departments. We have also introduced measures to ensure personnel safety at dangerous places, and arranged responsible personnel to conduct daily inspections of on-site safety conditions, creating a safe and reliable working environment for employees. In accordance with fire safety requirements, we have formulated emergency plans, equipped corresponding fire-fighting equipment, regularly organized employees to learn emergency plans, and conducted fire drills to strengthen emergency capacity building. In 2023, no major safety accident or personal injury accident occurred in the Company.

In accordance with the requirements of the *Labor Law of the People's Republic of China*, we reasonably arrange employees' work and rest time, regularly conduct occupational health and safety training, and help solve employees' psychological problems. We have set up gyms for employees to strengthen their body building and prevent occupational diseases, protecting employees' physical and mental health with practical actions.

In 2023

The Company's occupational safety and health training totaled

8,685 hours with a total of **965** person-times of participants.



Fire control drill



Emergency supplies cabinet



Employee gym



Occupational health and safety training

Focusing on Employee Growth

Fostering Career Development

We have been committed to standardizing the promotion system and process, continuously optimizing employees' career development paths, and creating a fair, open and transparent competition mechanism. We have endeavored to attract talented people and stimulate employees' desire to advance by formulating the Promotion Management System, setting up two forms of promotion (regular and irregular), clarifying the promotion mechanism, and improving employees' job grade promotion channels, achieving "improvement" through "promotion" and continuously improving employees' professional proficiency and quality.

Conducting Employee Training

We regard the talent team as the core competitiveness and the driving force for future development of the Company. By formulating the Administrative Measures for Employee Skills Training, we have established a perfect training system to standardize and institutionalize employee training, comprehensively improve the overall quality of the workforce, create opportunities for employees' continuous development, and provide intellectual support and talent guarantee for the Company's rapid, healthy and sustainable development.

In 2023

The Company organized **94** team building and training sessions with **2,857** person-times of participants.

Employee Training Performance

Indicator	Unit	2021	2022	2023
Total number of employees participating in trainings	Person	1,002	1,180	1,246
Coverage of employee trainings	%	98.33	98.66	98.89
Total training hours for employees	Hour	128,100	138,037	146,730

Employee Training System

For new employees

New employee orientation training

20 new employee training sessions were completed throughout the year with a total of 439 trainees

New employee induction tea parties

4 sessions were completed throughout the year with a total of 114 trainees



Orientation training for new employees

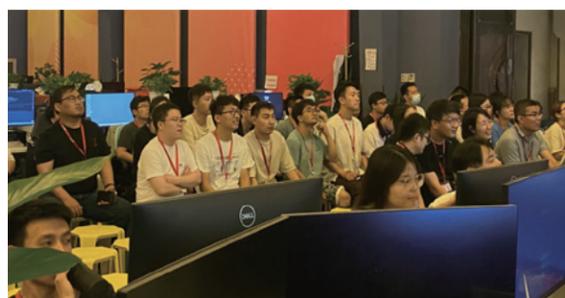
For the frontline partners

Experience sharing meeting

96 sessions were completed throughout the year with an average of 95 participants per session and a total of 9,120 person-times of participants

Professional knowledge

44 sessions were completed throughout the year with an average of 30 participants per session and a total of 1,320 person-times of participants



Experience sharing meeting

Industry chain knowledge and workflow optimization training

36 sessions were completed with an average of 30 trainees per session and a total of 1,080 person-times of participants

Generic skills and literacy training

12 sessions were completed with an average of 60 trainees per session and a total of 720 person-times of participants



Generic skills and literacy training

For the management

Training for middle and junior management personnel

10 sessions were completed throughout the year with an average of 50 participants per session and a total of 500 person-times of participants



Training for middle and junior management personnel

Training for middle and senior management personnel

2 sessions were completed throughout the year with a total of 239 person-times of participants



Training for middle and senior management personnel

Enhancing Employee Care

Achieving Work-Life Balance

With an aim to meet employees' expectation for a better life, we have organized diversified recreational and sports activities to enrich employees' spare time, committing to creating a corporate atmosphere full of love. Taking the Spring Festival, Women's Day, Children's Day, Dragon Boat Festival, and other important festivals as the opportunities, we have carried out employee care activities such as "Welcoming the New Year – Giving Blessings," "Women's Day Flower Arrangement," "Enjoying the Time with You, Creating the Enriched Fun," "Themed Mountain Climbing," "Hand in Hand, Ride the Wind Forward," among others, to stimulate employees' vitality, enhance their sense of happiness and belonging, and help them balance work and life.



"Romance and Roses, More Than Love" themed activity on Valentine's Day



Flower arrangement activity on Women's Day



Fun activities on Children's Day



Club basketball game



Themed mountain climbing activity

Providing Assistance for Employees in Difficulties

To ensure the effective implementation of employee care, we have established the "Connecting Two Generations" scholarship and Beijing United Information Technology Assistance Fund to solidly promote the assistance for employees in need and effectively solve their problems. In September 2023, the Company applied for RMB15,000 through the assistance fund for an employee's family member diagnosed with advanced lung cancer to ensure medical treatment, and applied for occupational injury treatment and provided RMB10,000 to ensure medical treatment for an employee in need who suffered from a traffic accident.



Improving People's Wellbeing

We have actively fulfilled the responsibilities of a corporate citizen, insisted on sharing development results with local communities, given back to the society with sincerity, and advanced rural revitalization and public welfare and charitable undertakings, committing to protecting and improving people's wellbeing and delivering the "Warmth of Beijing United Information Technology" to the public with practical actions.

Facilitating Rural Revitalization

We have effectively implemented the 14th Five-Year Plan. Under the guidance of the *Opinions of the Central Committee of the Communist Party of China and the State Council on Comprehensively Promoting the Key Work of Rural Revitalization in 2023*, we have made full use of the practices relating to industrial digital economy to vigorously develop space for government-enterprise cooperation, promoting the value of industrial digital economy in advancing rural revitalization.



Strategic tripartite cooperation agreement reached to jointly facilitate rural revitalization

In July 2023, Beijing United Information Technology formally signed a tripartite cooperation agreement with CUFU Rising Union and Guangdong Dongjiang Green Agricultural Product Trading Co., Ltd., which is the operator of Heyuan Production and Marketing Exchange Platform for Consumption Assistance to focus on rural revitalization services with high-tech digital technologies as the effective means. The three parties will carry out in-depth cooperation in the three major fields of B2B information services, digital technologies and B2B vertical e-commerce, jointly provide digital innovation services, including digital factories, e-commerce centralized procurement, digital transactions, digital supply chains and PTDCloud internet, for the rural revitalization in Heyuan, and build a regional agricultural digital innovation demonstration system to guide the green, high-quality and branding development of regional agriculture.



Beijing United Information Technology signing a tripartite cooperation agreement with CUFU Rising Union and Guangdong Dongjiang Green Agricultural Product Trading Co., Ltd.



Injecting revolutionary gene into industrial digital economy: Fuping County Major and his delegation visits Feidoodoo.com

In February 2023, the Deputy Party Secretary and Mayor of Fuping County, Shaanxi Province, and his delegation visited Feidoodoo.com of Beijing United Information Technology. The two sides exchanged views on fully integrating the inheritance of revolutionary spirit and empowering the overall economic development of the region through industrial digital economy. Feidoodoo.com is committed to reducing costs and increasing performance in all links of the industry chain through the development of service systems such as transaction digitalization, supply chain digitalization, and production digitalization for the entire agricultural industry chain. There is broad cooperation space with Fuping County which is rapidly developing agricultural industrialization, professionalization, and scientization. The two sides have reached a strategic cooperation consensus on "continuously promoting the construction of industrial digital economy as the effective means to jointly empower the efficient development of the industrial economy in Fuping County."



Deputy Party Secretary and Mayor of Fuping County, Shaanxi Province, and his delegation visited Feidoodoo.com



E-commerce injects strong momentum into rural revitalization

Shupintianxia.com is a vertical e-commerce platform of agricultural products launched by Beijing United Information Technology. It is based on the "landmark," "featured" and "high-quality" agricultural products in Sichuan Province and Chongqing Municipality, taking direct supply from the places of origin as the feature of the platform.

In 2023, Shupintianxia.com built an e-commerce public service center of more than 700 square meters in Langzhong with office area, training area, livestreaming rooms and conference rooms. By organizing e-commerce training locally, it cultivated "new farmers" for rural revitalization with a total of 1,594 person-times of trainees and 50 participants benefiting from business incubation. It set up 67 sites, 4 livestreaming bases and 1 brand image store in Jiuzhaigou, planned and operated Jiuzhaigou e-commerce service center and logistics center to improve the e-commerce operation infrastructure. It also planned and guided the operation of local logistics and trade distribution centers and the upgrade of e-commerce logistics sites in Anyue County, assisting traditional commercial enterprises in digital transformation, and promoting the sustainable and healthy development of county-based e-commerce.

Engaging in Public Welfare and Charitable Undertakings

We care about the development of local communities, and actively participate in public welfare and charitable activities such as emergency relief. We contribute love with practical actions, take the initiative to undertake the responsibilities of improving people's wellbeing, and strive to create a harmonious society.



Beijing United Information Technology rushes to the rescue in disaster-affected areas

In August 2023, affected by the Typhoon Doksuri, parts of Beijing, Tianjin and Hebei suffered from continuous heavy rainfall that was rare in history and consequent geological disasters such as mountain torrents and mudslides. The flood prevention and disaster relief situations were severe with goods and materials in short supply. Beijing United Information Technology gave quick response and urgently connected with the government's disaster relief coordination department, accurately understood the needs of disaster-affected areas, and donated 1,000 stretchers, 2,000 units of disinfection equipment, 330 generators and other disaster relief materials in urgent need to the disaster area in Mentougou District, Beijing, providing strong material support for emergency rescue. In the meantime, the Company's employees in Zhuozhou office area were trapped due to the disaster. The Company's leaders gave instructions immediately and required the comprehensive support department to urgently set up a special working group, mobilize special vehicles, and overcome all difficulties to immediately pick up the employees and their families in Zhuozhou and move them to Beijing for proper arrangement.



Beijing United Information Technology donated relief materials to disaster-affected areas in Mentougou District, Beijing

Jointly Laying a Solid Foundation with Sound Governance

A good corporate governance is the guarantee for sound operation and healthy development of the enterprise. We have kept refining corporate governance system, improved regulatory operation, continued to enhance risk management, strengthened compliance-based operation, and effectively improved the operational quality of corporate governance. Efforts have been made to build an "outstanding" Beijing United Information Technology and to jointly lay a solid foundation for sustainable development.

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Regulating Corporate Governance

Strictly abiding by laws and regulations, we have continuously enhanced corporate governance capabilities, improved governance systems, disclosed corporate information in a timely manner, effectively promoted the efficient and stable operation of all governance bodies of the Company, and kept improving the level of corporate governance.

Improving Governance System

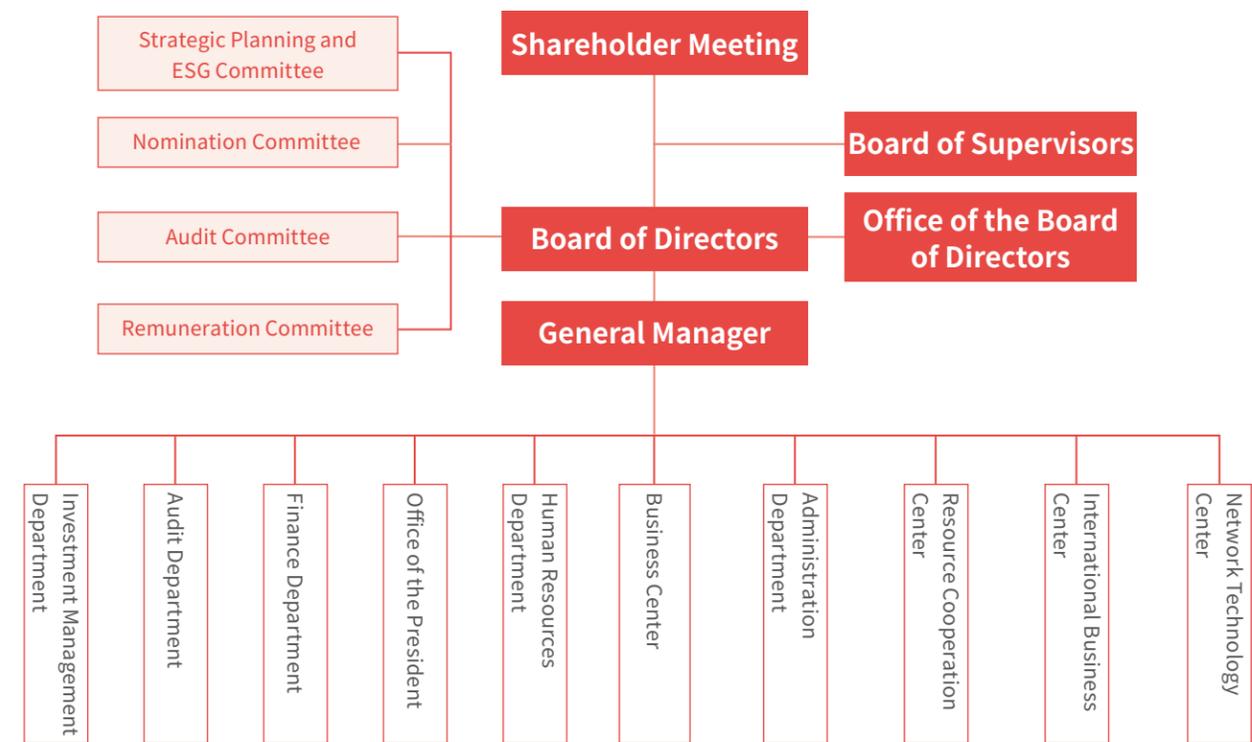
Regulating Operation of Shareholder Meeting, Board of Directors and Board of Supervisors

We strictly abide by requirements of the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Guidelines on the Articles of Association of Listed Companies*, the *Rules for the Shareholder Meetings of Listed Companies*, and other laws and regulations, and have formulated the Articles of Association, the Rules of Procedure of the Shareholder Meeting, the Rules of Procedure of the Board of Directors, the Rules of Procedure of the Board of Supervisors, and other regulations, rules and administrative measures to regulate corporate management and operation, and to clarify the rules of procedure and decision-making process of the Shareholder Meeting, the Board of Directors, and the Board of Supervisors, promoting the establishment of a corporate governance mechanism in which one will do their part while cooperating with others to have effective checks and balances. Meanwhile, the implementation and effectiveness of relevant mechanisms are tracked regularly in order to continuously optimize the governance structure and keep improving the governance level.

As the highest authority of the Company, the Shareholder Meeting fully protects the legitimate rights and interests of shareholders and ensures that shareholders exercise their rights equally and effectively. The Board of Directors is the Company's permanent decision-making body and is responsible to the Shareholder Meeting. It is responsible for deciding the Company's business plans and investment plans, and has a strategic planning and ESG committee, a nomination committee, an audit committee, and a remuneration committee to ensure professional and reliable decision-making. The Board of Supervisors is the Company's supervisory body and is responsible to all shareholders. It oversees the Company's finances and the legality and compliance of the duties performed by directors, managers and other senior management personnel, and safeguards the legitimate rights and interests of the Company and its shareholders.

In 2023

- Held **3** shareholder meetings and deliberated **18** proposals
- Held **9** meetings of Board of Directors and deliberated **42** proposals
- Held **6** meetings of Board of Supervisors and deliberated **21** proposals



Corporate Governance Structure

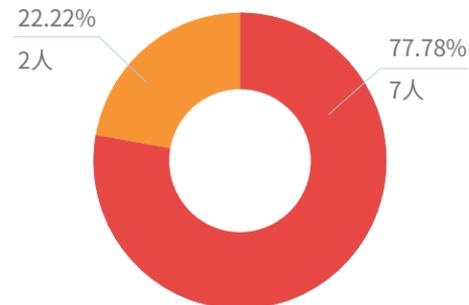
Diversifying the Board of Directors

The diversity of the Board of Directors is of great significance to improve corporate governance, achieve strategic goals, and promote sustainable corporate development. We have kept optimizing the independence and diversity of the Board of Directors, and arranged three independent directors in accordance with the relevant provisions of the *Independent Director Rules for Listed Companies*, *Shanghai Stock Exchange No.1 Self-Regulatory Guideline for Listed Companies - Standardized Operation*, and the *Guidelines on the Articles of Association of Listed Companies*. The number of independent directors is no less than one third of the number of directors. In addition, we take comprehensive consideration of the factors such as candidate's gender, cultural and educational background, professional experience, skills and service tenure while selecting board members to ensure the Board of Directors has balanced and diversified skills, experience and perspectives, promoting the establishment of a healthier board member structure.

Board appointments

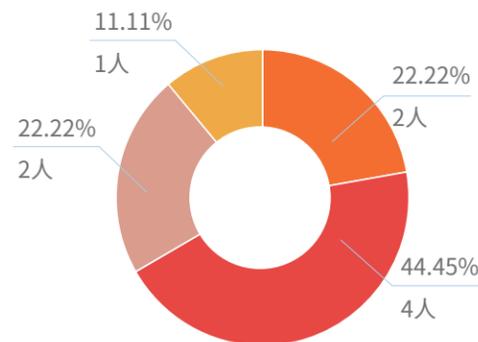


By gender



● male board members ● female board members

By professional background



● Management ● Economics
● Finance ● Other educational backgrounds

Enhancing Investor Relations Management

Regulating Information Disclosure

Adhering to the principles of openness, fairness and impartiality, and following the requirements of laws and regulations such as the *Securities Law of the People's Republic of China* and the *Administrative Measures on Information Disclosure by Listed Companies*, we have always insisted on the principles of disclosing information in a timely, accurate, complete, fair and strict manner, and continuously improved the information disclosure system and the quality of information disclosure. The Company's information disclosure complies with the Guidelines on the Articles of Association of Listed Companies and the Administrative Measures on Information Disclosure by Listed Companies, and strictly performs the necessary approval and submission procedures. All the disclosed information is true, accurate, complete and timely without any false records, misleading statements or major omissions. In 2023, the Company released a total of 94 announcements.

Enhancing Engagement with Investors

We attach great importance to investor relations management and is committed to creating a warm and trustworthy investor communication environment to improve the level of investor relations management. In accordance with relevant laws and regulations, we have formulated the Administrative Measures for Investors to effectively protect investors' legitimate rights and interests. The Secretariat of the Board of Directors is responsible for daily information disclosure, receiving shareholder visits and replying investors' inquiries. It actively strengthens contact and communication with minority investors through various channels such as special telephone line, public mailbox, e-interactive platforms, official WeChat account, and Snowflake enterprise account to effectively guarantee investors' right to know, deepen investors' understanding of the Company's businesses, and enhance investors' recognition of the Company. It carries out various businesses and services including company surveys and telephone consultations in accordance with relevant regulations to ensure all investors are treated openly, fairly and impartially, effectively protecting the benefits of all the Company's shareholders.

During the reporting period

the Company carried out **167** investor communication activities of various types, including **3** results briefings held in Shanghai Stock Exchange Roadshow Center and **164** other activities.



Strengthening Risk Management

A perfect risk management system is essential to ensure the steady, sustainable and healthy development of an enterprise. We have kept improving the risk management system, paid high attention to risk identification and response, and continuously strengthened the establishment of risk prevention capabilities, striving to create a risk management cultural atmosphere that is responsible, honest and trustworthy.

Improving Risk Management Systems

We strictly abide by the *Company Law of the People's Republic of China* and other laws and regulations, and have formulated the *Regulations on the Management of Risk Control* in line with the *Basic Internal Control Norms for Enterprises, Risk Management – Principles and Guidelines on Implementation*, as well as the supporting guidelines and the articles of association to establish regulatory and effective risk control system and enhance standardized risk management. We have established and improved the organizational structure of risk management, formed the "three lines of defense" for risk management, and clearly defined each department of the Company as the first line of defense for risk management, the Audit Department and the Audit Committee as the second line of defense, and the Board of Directors as the third line of defense, so as to effectively improve the effectiveness of risk management.

Enhancing Risk Identification and Countermeasures

We have kept improving the risk identification and response mechanism. Each functional department conducts regular self-inspection and checking of risk management work, promptly detects defects and makes improvements, and submits the inspection and checking reports to the Audit Department in a timely manner. An internal control plan for risk resolution has been formulated according to the approved risk response strategy, and control measures covering all links have been formulated for each management and business process involving major risks. For business processes involving other risks, the key links are used as the control points and corresponding control measures are taken to effectively respond to the risks.

Type of risk	Countermeasures
Credit risk	<ul style="list-style-type: none"> Establish a complete supplier audit mechanism Establish special positions dedicated to review and identify the credit of cooperation partners
Legal risk	<ul style="list-style-type: none"> Establish and improve legal risk prevention mechanisms Focus on contract management, intellectual property management and stamp use management
Reputational risk	<ul style="list-style-type: none"> Empathize the importance of reputational risk, attach great importance to legal compliance training for employees, and ensure that the reputational risk management covers each and every link Maintain good contact with the media, with a dedicated department responsible for the work

Improving Risk Management Capabilities

In order to strengthen employees' reserves of risk management knowledge, we have conducted risk management and control training activities in a combination of online and offline approaches, focusing on the key points such as basic risk management theories, risk identification and evaluation processes, and risk control strategies, to develop risk prevention awareness among all employees and comprehensively improve their risk management skills and levels.

Indicator	Unit	2023
Number of risk management and control trainings	Time	12
Number of employees participating in risk management and control trainings	Person-time	1,228



On-site scene of risk management and control training activities



Laying a Solid Foundation for Compliance Management

Compliance with laws and regulations is the cornerstone of corporate survival and development. We have always adhered to corporate governance in accordance with laws and operations compliant with regulations, continuously improved the compliance management system, strengthened anti-corruption and integrity upholding, maintained high standards of business ethics, and persistently maintained "zero tolerance" to corruption or violations of business ethics, promoting legal and compliant corporate operations.

Insisting on Compliance Management

We strictly abide by relevant national laws and regulations, adheres to legal and compliant operation, and conducts training activities in a combination of online and offline approaches focusing on legal and regulatory knowledge, legal and compliant responsibilities, rights, interests and practices to enhance employees' awareness of legal and regulatory compliance, and establish the concept of abiding by laws and regulations. During the reporting period, no major violations of laws or regulations occurred in the Company.

Indicator	Unit	2023
Number of legal compliance trainings	Time	8
Number of employees participating in legal compliance trainings	Person-time	1,225



On-site scene of a legal compliance training activity

Fighting Corruption and Upholding Integrity

We insist on fighting against corruption with a "zero tolerance" attitude, continuously improve the anti-corruption governance system and complaint mechanism, and strengthen the development of an integrity culture, committing to creating a clean and upright internal environment.

Strengthening Anti-Corruption Governance

Adhering to the principles of impartiality, fairness and openness, we resolutely oppose any form of corruption, and have formulated the *Regulation on the Management of Anti-Corruption*, the *Regulation on the Management of Professional Integrity Building* and other systems to strictly investigate and punish bribery and fraud acts within the Company, and ensure the standardization of anti-corruption governance, striving to create a fair, transparent and trusted working and business environment.

Improving Complaints Mechanisms

Insisting on the principle of strict corporate governance, we have formulated the *Administrative Measures for Whistleblowing and Complaints* and established a complete mechanism for whistleblowing management and handling. All employees and related parties can report and complain about violations of regulations or disciplines through email, telephone, visits and other channels. The information confidentiality and reward mechanism are strictly implemented to ensure the protection on whistleblowers' identity information and basic rights. In 2023, the Company didn't receive any compliant or whistleblowing.

Fostering Integrity Culture

We regularly organize anti-corruption and compliance trainings and cultural and promotional activities to guide our employees to study and understand the relevant laws and regulations in a deep-going way, clarify the anti-corruption red lines, and improve the anti-corruption awareness and ability of all employees.

Indicator	Unit	2023
Number of anti-corruption trainings	Time	4
Number of employees participating in anti-corruption trainings	Person-time	1,219



On-site scene of an anti-corruption training activity

Sticking to Business Ethics

Sticking to the code of business conduct, we strictly abide by the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China*, and other laws and regulations, oppose any form of commercial bribery, money laundering, monopoly, and unfair competition, earnestly fulfill the work requirements of fair trade, and conduct business activities with a rigorous attitude and a high sense of social responsibility.

Future Prospect

The Report on the Work of the Government 2024 put forward that it is imperative to "promote innovative development of the digital economy," and China will "work to digitalize the manufacturing sector and fast-track the large-scale application of the industrial Internet." As an important cornerstone of the new round of industrial revolution, the industrial Internet is the key support for the in-depth integration of digital technologies and the real economy, and is also a strategic infrastructure and important driving force for new industrialization. Under national guidance and promotion and with the joint efforts of all parties, the industrial Internet will usher in a broader development space in the future, continue to empower new quality productive forces, promote the accelerated development of new industrialization, and inject strong momentum into China's high-quality development. As an industrial e-commerce and industrial Internet company, we will firmly seize development opportunities, further focus on serving the real economy and creating social value, give full play to the advantages of technology, talent and platform as a leading industrial Internet company, continuously strengthen the development, promotion and application of service systems such as digital factories and industrial Internet, and continuously promote the realization of win-win value in the industry chain.

The greatest truths are the simplest, and hard work is the key. The year 2024 will be a crucial year for fully implementing the guiding principles of the 20th CPC National Congress and for achieving the objectives and tasks laid down in the 14th Five-Year Plan. In the new year, we will focus on the theme of "combination of light and heavy assets and collaborative innovation," continue to implement the overall strategy of "platform, science and technology, and data," take the initiative to optimize product structure, business structure, and organizational structure, and keep deepening industry chain, optimizing supply chain and improving value chain, thus empowering industrial innovation, transformation and upgrading. Focusing on the strategic goals and tasks of carbon peaking and carbon neutrality, we will work actively and prudently toward the goals of reaching peak carbon emissions and carbon neutrality, and safeguard the lucid waters and lush mountains, achieving a win-win situation for economy and ecology. We will take the initiative to fulfill social responsibilities, facilitate all-around rural vitalization, and actively participate in public welfare and charitable undertakings, continuously delivering warmth to the society. Insisting on putting people first, we will improve customer service and customer experience, facilitate employee growth, and pursue a new path featuring wide consultation, joint contribution, win-win cooperation and shared benefits together with partners. We will comprehensively strengthen corporate governance, actively implement the philosophy of ESG, and advance high-quality development in a deep-going way, striving to build the Company into a leading industrial B2B digital business platform in China and facilitate the realization of the corporate value and mission of promoting cost reduction and performance improvement of traditional industries.

Appendix

Key Performance Indicators

Economic Performance

Indicator	Unit	2021	2022	2023
Total operating revenue	RMB10,000	2,749,070.39	4,026,897.49	5,068,463.94
Total profits	RMB10,000	93,262.65	177,789.91	224,252.66
Total assets	RMB10,000	952,873.66	1,283,200.04	1,530,329.77
Total tax	RMB10,000	26,779.55	47,580.52	87,039.71
Earnings per share	RMB	1.16	1.56	1.98

Governance Performance

Indicator	Unit	2021	2022	2023
Number of board members	person	12	12	9
Proportion of male directors	%	73.33	83.33	77.78
Proportion of female directors	%	26.67	16.67	22.22
Proportion of directors with educational background of economics	%	25	8.33	22.22
Proportion of directors with educational background of management	%	41.67	41.67	44.45
Proportion of directors with educational background of law	%	16.67	16.67	0
Proportion of directors with educational background of finance	%	8.33	25	22.22
Proportion of directors with other educational backgrounds	%	8.33	8.33	11.11
Proportion of independent directors	%	33.33	33.33	33.33

Environmental Performance

Indicator	Unit	2021	2022	2023
Total electricity consumption	MWh	655.93	1,615.84	1,720.9
Gasoline consumption	Liter	32,521	40,251.14	102,466.41
Diesel consumption	Liter	0	0	0
Natural gas consumption	M ³	0	0	0
Comprehensive energy consumption	Ton of standard coal equivalent	81.06	241.52	320.81
Comprehensive energy consumption per capita ¹	Ton of standard coal equivalent per capita	0.08	0.20	0.25
Fresh water consumption	M ³	4,604	112,365	118,804.11
Water consumption per capita	M ³ per capita	4.52	93.95	94.21
Total GHG emissions	Ton of CO ₂ e	383.1	1,008.61	1,203.16
Direct GHG emissions (Scope 1)	Ton of CO ₂ e	0.1	87.10	221.73
Indirect GHG emissions (Scope 2)	Ton of CO ₂ e	383	921.51	981.43
GHG emission intensity	Ton of CO ₂ e per capita	0.38	0.84	0.95

Social Performance

Indicator	Unit	2021	2022	2023
Investments in R&D	RMB10,000	11,212.73	16,049.05	25,780.41
Number of R&D personnel	Person	213	325	331
Cumulative number of patents	Nos.	35	47	79
Response rate of customer complaints	%	-	100	100
Number of suppliers during the reporting period	Nos.	2,132	3,970	2,734
Total number of employees	Person	1,019	1,196	1,261
Number of employees from minority ethnic groups	Person	45	57	54

¹ Due to the successive opening of new office buildings in 2023, the investment in digital exhibition halls and the resumption of offline activities, various environmental indicators have increased compared with the previous year. Energy-saving and emission reduction measures will be taken to effectively improve environmental performance.

Indicator	Unit	2021	2022	2023
Number of male employees	Person	443	527	536
Number of female employees	Person	576	669	725
Number of ordinary employees	Person	810	950	1,001
Number of employees in the management	Person	209	246	260
Number of employees under labor contracts ²	Person	1,019	1,159	1,230
Number of employees under the labor dispatch system	Person	0	0	0
Number of employees over the age of 50	Person	29	34	33
Number of employees between the ages of 30 and 50	Person	533	674	716
Number of employees under the age of 30	Person	457	488	512
Number of male employees in the management	Person	113	142	149
Number of female employees in the management	Person	96	104	110
Employee turnover	%	10.89	12.25	13.27
Turnover of male employees	%	13.33	15.93	14.6
Turnover of female employees	%	9.03	9.38	12.54
Total number of newly recruited employees	Person	243	224	289
Total investments in employee training	RMB	96,048	30,905.89	106,770.7
Total training attendance of employees	Person-time	18,237	24,396	32,118
Total number of employees participating in trainings	Person	1,002	1,180	1,246
Total number of male employees participating in trainings	Person	438	521	536
Total number of female employees participating in trainings	Person	564	659	710
Coverage of employee trainings	%	98.33	98.66	98.89
Coverage of trainings for male employees	%	98.87	98.86	99.08
Coverage of trainings for female employees	%	97.92	98.51	98.75

² There were 31 post-retirement re-engaged personnel and interns in 2023.

Indicator	Unit	2021	2022	2023
Coverage of trainings for ordinary employees	%	97.9	98.73	99.1
Coverage of trainings for employees in the management	%	100	97.97	98.07
Coverage of trainings for new employees	%	100	100	100
Total training hours for employees	Hour	128,100	138,037	146,730
Total training hours for male employees	Hour	55,880	58,934	60,895
Total training hours for female employees	Hour	72,220	79,103	85,835
Average training hours for employees	Hour	127.84	116.98	116.36
Average training hours for male employees	Hour	127.58	113.12	113.40
Average training hours for female employees	Hour	128.05	120.03	118.56
Average training hours for ordinary employees	Hour	-	117.64	118.39
Average training hours for employees in the management	Hour	-	114.88	115.32
Signing rate of employment contracts	%	100	100	100
Coverage rate of "five social insurances and one housing fund" ³	%	-	96.8	97.5
Number of paid leave days per capita per year	Day	-	4.06	4.90
Customer satisfaction	%	90	91	95
Number of newly added occupational cases	Person	0	0	0
Total charitable donations	RMB10,000	1.20	149.60	191.05
Special investments in rural revitalization	RMB10,000	-	782.98	729.29
Number of volunteer employees	Person	10	35	75
Number of employees participating in volunteer activities	Person-time	26	52	132
Total hours of volunteer activities conducted by employees	Hour	75	143	326.5

³ Post-retirement re-engaged personnel and interns are not covered by social security.

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Suggestions and Feedback

Dear readers,

Thank you for reading the *2023 Environmental, Social and Governance Report of Beijing United Information Technology Co., Ltd.* In order to enhance communication and exchanges with you and other stakeholders, and continuously improve the Company's environmental, social and governance performance and the preparation work of the ESG report, we are sincerely looking forward to listening to your invaluable opinions and suggestions. Please feel free to contact us via the form below.

Tel: _____

Email: _____

Mail address: _____

Postal code: _____

Contact: _____

Please give your specific suggestions:

1. What is your overall assessment of this report?

Good Relatively good Fair Poor

2. What do you think of the information and data disclosed in this report in terms of clarity, accuracy, and completeness?

Good Relatively good Fair Poor

3. How does this report reflect the governance responsibilities undertaken by the Company in terms of completeness?

Good Relatively good Fair Poor

4. How does this report reflect the environmental responsibilities undertaken by the Company in terms of completeness?

Good Relatively good Fair Poor

5. How does this report reflect the social responsibilities undertaken by the Company in terms of completeness?

Good Relatively good Fair Poor

6. Do you think the design and layout of this report is easy to read?

Good Relatively good Fair Poor

7. What contents need to be improved the most in this report?

Governance Innovation Services Supply Chain Employees Environment Society

What would you like to know about that are not disclosed in this report?

What are your comments and suggestions on the Company's ESG work and report preparation?
