

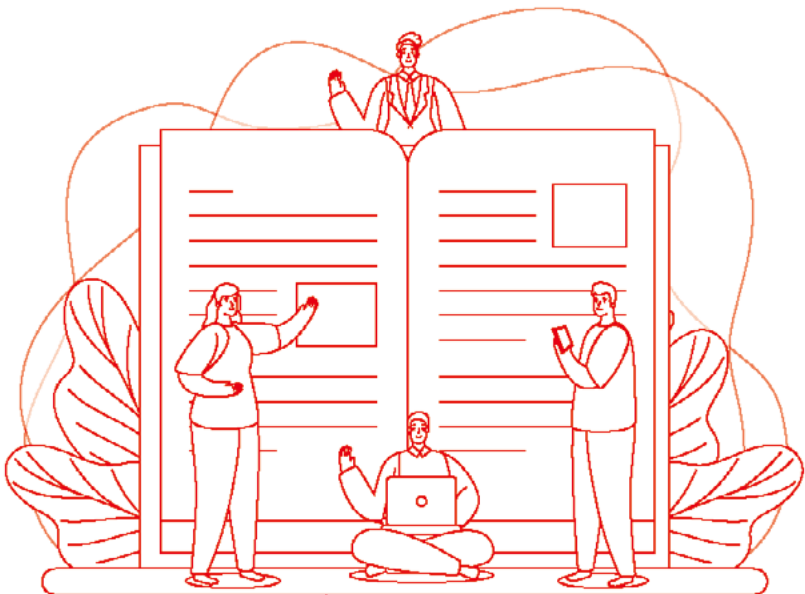


2024

Yonyou Network Technology Co., Ltd.
Sustainability (ESG) Report

About the Report

Yonyou Network Technology Co., Ltd. ("Yonyou", "the Group" or "we") has been disclosing its non-financial information annually since 2011, with a total of 14 social responsibility/sustainability reports issued by 2024.



Reporting Scope

Organizations covered by the Report: The Report is primarily about Yonyou Network Technology Co., Ltd., and covers its headquarters, industrial parks, subsidiaries in China and abroad, its controlling shareholders and actual controllers.

Reporting Period: From January 1, 2024 to December 31, 2024. Part of the Report is beyond the reporting period in order to ensure consistency.

Release Cycle: This is an annual report. The previous report was released in March 2024.

Reporting Standards

This report is prepared with reference to the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies —Sustainability Report (Trial)* by Shanghai Stock Exchange, and also with reference to the *Corporate Sustainability Disclosure Standards -- Basic Standards (Trial)* by China Ministry of Finance, the *GRI Sustainability Reporting Standards 2021 Edition* by the Global Sustainability Standards Board (GSSB) and the United Nations 2030 Agenda for Sustainable Development (SDGs). For the disclosure of indicators in this report, please refer to the "Content Index" section.

Data and Information Disclosure

The data and information disclosed in the Report are derived from:

- Internal data collection system and relevant statistical statements of the Group
- Outstanding sustainability practices of the Group
- Questionnaires developed to collect qualitative and quantitative information based on the report framework

All financial data disclosed in the Report is derived from the Yonyou Network Technology Co., Ltd. 2024 Annual Report ("Annual Report"). Should there be any inconsistencies between the Report and the Annual Report, the Annual Report shall prevail. Unless otherwise indicated, the currency used is RMB.

How to Get the Report

The Report is released in electronic version, it can be downloaded from our website: <https://www.yonyou.com/esg/>.

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Chairman's Message



Wenjing WANG
Chairman
Yonyou Network Technology Co., Ltd.

2024 is a year of extraordinary significance. This year, we focused on breakthroughs in core technologies such as cloud services, artificial intelligence (AI), and big data, and built a new business application infrastructure that deeply integrated the digital economy and the real economy based on YonBIP. This year, we released the enterprise service large model YonGPT2.0 to eliminate the gap between "complex enterprise application requirements" and "general big models" and build a new engine for AI applications in the new era. This year, recognized by the international authoritative rating agency MSCI, our ESG rating rose to AA, placing us among global leaders in ability and performance of sustainable governance.

We use digital intelligence technology to "add greenness" to all walks of life. Focusing on major strategic planning in the field of "dual carbon", we gave full play to the strong technical advantages as the world's leading provider of software and intelligent service for enterprises, established and improved the customer identification mechanism of sustainable development goals, and accurately located the green and low-carbon transformation needs of various industries. We continued to provide green and sustainable solutions for industries such as energy, civil aviation, steel and metallurgy,

chemical and papermaking, and environmental protection, and increased efforts to promote the comprehensive green transformation of economic and social development. During the year, the 4th generation of YonBIP scrap steel intelligent grading system covered more than 60 industry customers and helped reduce carbon emissions by more than 10 million tons. We have long adhered to the concept of "green, environmental protection, and intelligence" and improved the Carbon Peak Implementation Plan of Yonyou Industrial Park. Committed to building a green and low-carbon operation system, we explored a practical green and low-carbon operation management mechanism, set multiple energysaving and carbon reduction targets and maintained good progress, effectively implementing the concept of "lucid waters and lush mountains are invaluable assets" throughout the entire process of our own operations.

We work together with mutual success to contribute to a better life. Working together with our employees, we have always adhered to the people-oriented approach, build talent development channels in multiple dimensions and with multiple measures, comprehensively improving employee capabilities. We carried out all aspects of employee care, and worked together with every Yonyou employee to create a better life. During the year, we further deepened and widened employee communication, forming consensus and collective value orientation with the "CEO Meetup" event attracted up to 20,000 online and offline participants. Working together with partners, we have built the fastest-growing enterprise digital intelligence ISV ecosystem in China, focusing on "Deep Industry Cultivation and Large-Scale Development." We joined forces to strengthen cooperation with various ecological partners to build a closely coordinated, mutually beneficial and win-win Yonyou ecological network. Working together with the society, we continue to carry out three major public welfare brands: "Yonyou Public Welfare Cloud", "Arrangement and Protection of China's Commercial Cultural Heritage" and "Walk Side by Side with Friendship", forming a Yonyou public welfare system covering various societal, business, and internal spheres, and striving to practice social responsibility. In 2024, the total expenditure on public welfare donations was more than 8.07 million yuan, and the "Walk Side by Side with Friendship" volunteer service team had more than 600 volunteers with a total service time of nearly 3,200 hours.

This year, we outlined a blueprint for steady development with long-termism. Anchored on the sustainable development goals, we have established and improved the sustainable development (ESG) management system, forming a governance system with clear responsibilities and high efficiency with the Board of Directors, senior management and executives as the core. During the year, the Board Strategy and Sustainable Development Committee diligently performed its duties and solidly promoted the execution of the Group's sustainable development (ESG) strategic goals. To build a solid security barrier for sustainable operations, we continued to improve the data security management system, clarified the responsible departments and working methods for data and privacy protection, promoted subsidiaries to carry out in-depth information security governance, and built a complete information security and privacy protection governance system. We also created a long-term integrity mechanism, and effectively created a clear, honest, and integrity-driven cultural ecosystem, to escort the long-term stable and healthy development of the Group.

Looking back at the past 2024, the digital economy has become an important driving force for global economic growth, and the digital intelligence transformation and upgrading lead the development and transformation of enterprises; the "Artificial intelligence +" action has become an important manifestation of digital intelligence empowering industrial upgrading. Promoting digital intelligence transformation and achieving digital and intelligent enterprises have become one of the core paths for enterprises to promote high-quality development. Looking forward to 2025, long as the journey is, we will reach our destination. We will deeply focus on the application demands across different industries and sectors, persistently tap into technological innovation potential, accelerate the adoption of large-scale models in industry scenarios, and collaborate with leading enterprises to integrate industrial expertise with AI technologies, thereby propelling high-quality economic and social development with AI-driven momentum. We will continue to explore the profound integration of technology and applications, establish sustainable development governance as the core pillar for implementing high-quality growth, empower employees, partners, and customers, and write a new chapter for Yonyou in the journey of advancing Chinese-style modernization.

About Yonyou

Group Profile

Founded in 1988, Yonyou Network Technology Co., Ltd. (stock code: 600588) is continuously committed to the application and service of information technology in enterprises and public organizations. After 36 years, it has developed into a global leading enterprise software and intelligent service provider. In the new era, Yonyou serves the digital and intelligent of enterprises through the strategic product YonBIP (Yonyou Business Innovation Platform), helping enterprises to achieve the three core values of "Agile business, Lean management, and Global operation" and build digital and intelligent enterprises.

YonBIP (Yonyou Business Innovation Platform) can provide customers with a digital foundation for enterprises that understand the business better. It has the first large-scale enterprise service model in the industry and the world's most comprehensive integrated digital services, including ten core areas such as finance, human resources, and supply chain, covering industries such as manufacturing, energy, and transportation, and more than 100 countries and regions. It is praised by Chinese key central media as the "great power" for enterprise digital intelligence and is the preferred digital platform for many industry-leading companies.

According to research by Gartner and IDC, Yonyou ranks among the top ten in the world in the ERP SaaS and high-productivity aPaaS markets. It is the only Chinese manufacturer selected as an honorary enterprise in the Magic Quadrant for HCM Cloud and Magic Quadrant for ERP Cloud. It has also ranked first in the market share in Chinese application Platform as a Service APaaS, China's enterprise applying SaaS, and it has ranked first in the market share of super-large and large enterprises applying SaaS in China for many years in a row. It is a major brand of China's enterprise digital and intelligent service and independent innovation of software localization.



Awards and Recognitions

Name of Awards	Issuing Unit
Selected as a national-level "double-cross" industrial Internet platform	Ministry of Industry and Information Technology
Shortlisted for "2022 Information Technology Application Innovation Solution"	Cyber Security Industry Development Center, Ministry of Industry and Information Technology
Selected into the "2022 Industrial Internet Pilot Demonstration List"	Information and Communications Administration, Ministry of Industry and Information Technology
First Prize of China Standard Innovation Contribution Award	State Administration for Market Regulation, National Standardization Administration
People's Craftsmanship Product Award	People's Daily Online
2023 Top 100 Software and Information Technology Service Competitiveness Enterprises	China Information Technology Industry Federation
Famous Software and Information Technology Service Enterprises in 2023	China Information Technology Industry Federation
Outstanding contributors to the Integrated Platform as a Service (iPaaS) series standards	Foundation Project, China Academy of Information and Communications Technology
Excellent technological achievements in 2023	China International Big Data Industry Expo Organizing Committee
2023 China Enterprise Digitalization Enterprise of the Year	China Software Website, Haibi Research Institute
Top 100 Most Valuable Chinese Brands by Kantar BrandZ in 2023	Kantar Group
Hurun China IIoT Top 30 2023	Hurun Research Institute
AIGC companies worth watching in 2023	Cyzone
New Generation Information Technology Innovation Products for 2022-2023	CCID Consultant
Magic Quadrant™ for Cloud HCM Suites for 1,000+Employee Enterprises	Gartner

Management System Certifications

In 2024, the Group continued to hold relevant authoritative certifications and completed recertification of ISO14001 (environmental management system), ISO45001 (occupational health and safety management system), SA8000 (social responsibility standard) and other certifications.



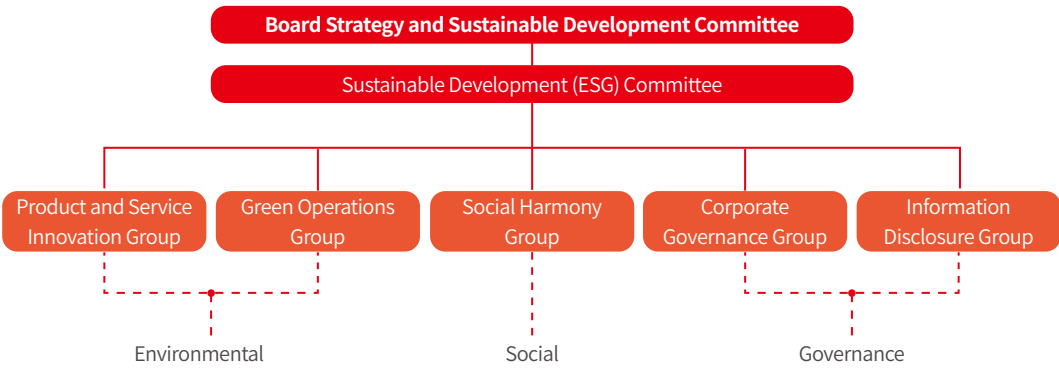
Sustainable Development (ESG) Governance and Strategies

Mission and Vision

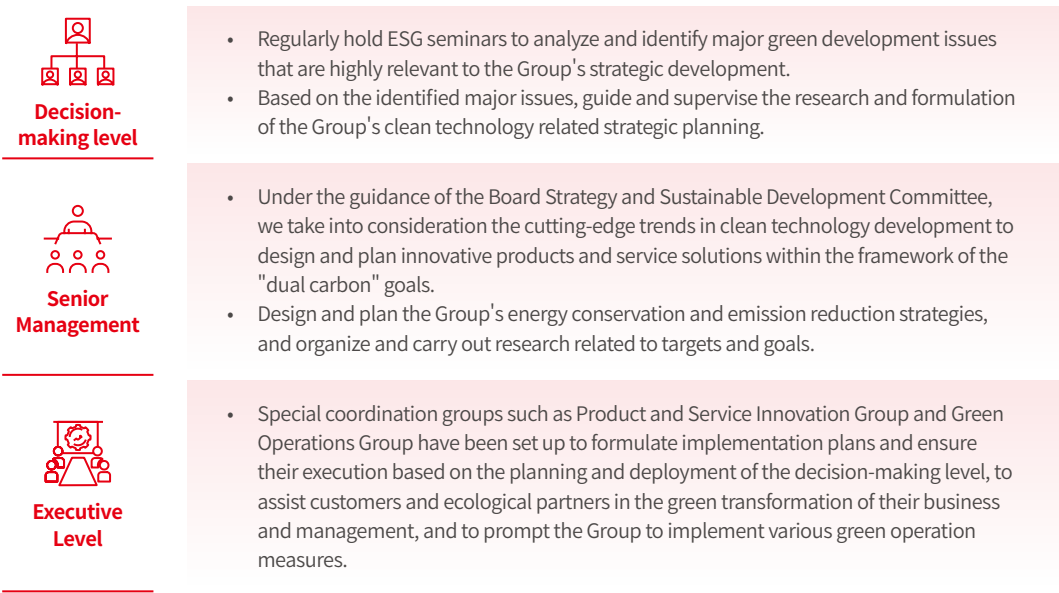
To practice the concept of "Friend of Users", be driven by digital and intelligent technology, and empower extensive industries to achieve green and low-carbon transformation and high-quality development. To become a leader in the integrated development of global enterprise digitalization and sustainable development (ESG), create a full-life-cycle solution covering "environmental friendliness, social inclusion, and excellent governance" through technology empowerment and ecological co-creation, and work with stakeholders to establish a green, low-carbon, intelligent, efficient, and fair and shared future business society.

Management System

Yonyou has established and improved a sustainable development (ESG) management system, forming a governance system with clear responsibilities and high efficiency with the Board of Directors, senior management, and executives as the core, to ensure the smooth execution of the Group's sustainable development plan with effective supervision.



As a backbone force in using digital technology to help the comprehensive green transformation of economic and social development, by focusing on major strategic planning in the field of green and low-carbon development, fully integrating the actual requirements for green development in the new development stage with the Group's development strategy, and centring on the decisive role of digitalization and intelligent development in promoting the green transformation of the entire industry, the Group has established and improved the governance mechanism for the development and application of clean technologies to ensure that the Group's sustainable solutions effectively empower the green transformation of various industries.



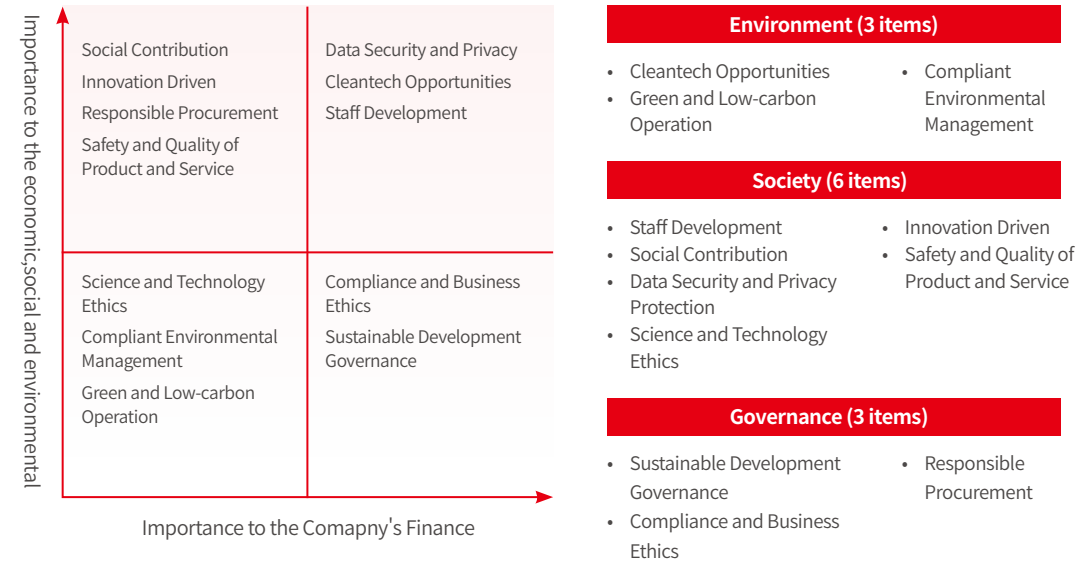
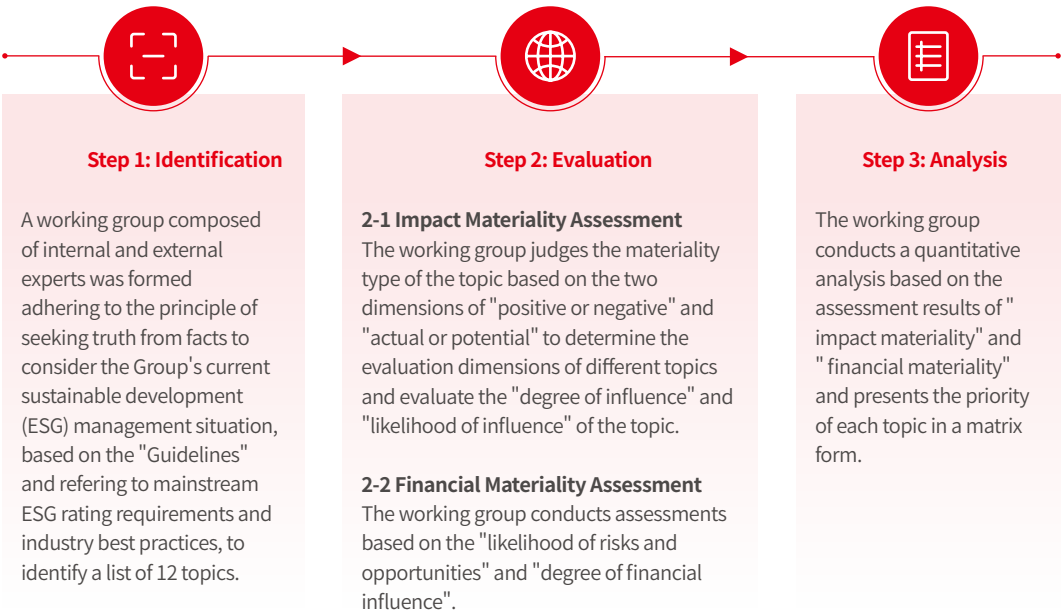
Important system

The Group's key ESG systems are published on the "Sustainable Development" page of the Group's official website.

Category	Posting location
Data Security and Privacy	Yonyou Trust Center: https://www.yonyou.com/esg/privacy.html
Talent Development	Emphasis on talent development: https://www.yonyou.com/esg/talent.html
Corporate Governance	Excellent Corporate Governance: https://www.yonyou.com/esg/corporation.html

Material Issues Analysis

Yonyou continues to improve the identification and assessment of sustainable development (ESG) issues, and conducts double materiality assessment of sustainable development (ESG) issues in accordance with the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies —Sustainability Report (Trial)* (hereinafter referred to as the "Guidelines"), etc., to identify and analyze the materiality of sustainable development (ESG) issues that are highly relevant to the Group's business management and development from the two aspects of "financial materiality" and "impact materiality", and form an material issues matrix.



Communication with Stakeholder



Feature Story: Marching Towards the "New", Anchoring New- Quality Productivity to Lead the Transformation and Upgrading of Industries

Yonyou focuses on the essential requirements of promoting Chinese-style modernization with high quality, deeply practices the development concept of "digital-real integration", and accelerates the process of new industrialization with new-generation information technology. The Group attaches great importance to major strategic deployments, including the 14th Five-Year Plan for the Development of Digital Economy, etc., focuses on breakthroughs in core technologies such as industrial Internet, artificial intelligence, and big data, and relies on YonBIP (Yonyou Business Innovation Platform) to build new infrastructure that deeply integrates the digital economy and the real economy, becoming an important technical foundation for the development of China's new industrialization.

Digital intelligence leads the way and empowers thousands of enterprises

At present, Chinese economy has entered a stage of high-quality development from a stage of high-speed development. Promoting industrial innovation with scientific and technological innovation, especially using disruptive and cutting-edge technologies to foster new industries, new models, and new momentum, and developing new quality productive forces have become the core development theme of the new era. As a leading manufacturer of enterprise software and intelligent services, after launching the powerful national tool, YonBIP, and gradually becoming the first choice for digital and intelligent construction of many leading companies in the industry, Yonyou launched the largest organizational change in history in 2023, upgrading the digital and intelligent solutions and services for large enterprise customers from the original organizational model of region-based and "region + industry" to an operating model of industry-based and "industry + region".

During this transformation, the Group has been deeply concentrating on the industry and co-produced new digital value with leading enterprises. Through industry replication, we have empowered the digital intelligence transformation of numerous industries, collaborated with customers and partners to accelerate the innovative development of digital and intelligent business, and become a typical practice of using digital and intelligent technology to promote the construction of new quality productive forces and assist high-quality economic and social development.

Medical industry: As an advocate and promoter of digitalization and intelligent transformation of hospital operations and management, the Group is committed to helping hospitals achieve data-driven and intelligent operations, accelerate the pace of digital transformation, and move towards high-quality development.

Sun Yat-sen University Cancer Center

By using the fully self-innovated information technology application, YonBIP-HOP product, to replace the original foreign products, we helped the hospital upgrade the digital operation of their operation and management platforms.

Tianjin Medical University General Hospital

Built a complete accounting system, realized integrated financial management, and enhanced data-driven decision-making and application capabilities.

Fujian Cancer Hospital

We helped the hospital integrate dozens of business scenarios, realize information interconnection and interoperability within and between hospitals, and successfully pass the national standardization maturity assessment for medical and health information interconnection and interoperability.

Transportation industry: The Group has accumulated long-term professional experience in the field of large-scale transportation enterprise services, comprehensively promoting full-scenario intelligent services for transportation industry enterprises and creating digital transportation enterprises, and contributing strength of Yonyou to building a strong transportation nation.

Beijing Daxing International Airport

Improved the level of digital management and realized efficient and intelligent operation management; built a digital base platform to support data management and value extracting.

Jiangsu Port Group

Deepened the integration of business and finance, expanded intelligent innovative applications such as smart auditing and RPA, improving the operating efficiency of the group's financial system.

Shaanxi Transportation Holding Municipal Road & Bridge Group Co., Ltd.

Built a new financial management system consisting of the "three-in-one" pattern of strategic finance, business finance, and shared finance, and promoted the transformation of financial management with the target of centralized supervision, decision-making support, and value creation.

Service industry: The Group has carried out digital intelligence transformation cooperation with many leading companies in the industry, deepened industry solutions and scenario-based applications, focused on serving the digital intelligence transformation and change of enterprises, and jointly explored digital innovations in enterprise management with customers and ecological partners to enhance core competencies in the digital business era.

360 Security Technology Inc.

Achieved automated material management relying on YonBIP, refined business ledger management, and automated revenue amortization, effectively optimizing business processes, reducing operating costs and enhancing market competitiveness.

Zhejiang International Trade Co., Ltd

Built a "1+4" headquarter-branch control-based financial shared operation system relying on YonBIP to promote professional division of labor in finance and drive the Group's financial transformation toward a financial organization that integrates strategic finance, business finance and shared finance.

Nanjing Tourism Group

Based on YonBIP, multi-source financial data is integrated to achieve the improvement of the reporting system and the unification of the reporting platform, enhance information transparency, and improve management efficiency and decision-making accuracy.

Steel industry: As one of the first national industrial Internet platforms, the Group uses new-generation information technology to help the steel industry transform into a digital, networked, and intelligent industry. It integrates new technologies, new equipment, and new concepts with production operations, process management, etc., continuously expands application scenarios, and relies on continuous innovation in intelligent manufacturing to continuously empower and support the high-quality development of the industry.

Jingye Group

Relying on the intelligent scrap steel grading system project, we helped the enterprise move from traditional manual scrap steel grading to a new era of intelligence and achieve green manufacturing.

Ansteel Group

Based on the integration of business and finance, we supported the financial standardization, automation and intelligence, to create a benchmark for the digital transformation of large state-owned enterprise groups.

Minyuan Iron and Steel Group Co., Ltd

Provided timely, effective and accurate data support for the group's strategic decision-making, helped enterprises reduce costs, increase efficiency and move towards high-quality development.

Energy industry: Through the in-depth application of digital intelligence technology, the Group leads the energy industry towards digital intelligence and low-carbon development, deepens the "smart" business layout, and helps the energy industry accelerate the construction of new quality productive forces.

Sinochem

Through the smart integrated platform construction project, we helped the enterprise thoroughly implement the strategy of "developing a quality work force and revitalizing the enterprise through talents", and provide strong impetus into the high-quality development of enterprises.

China Huadian

Through the digital talent market platform construction, promoted the innovative application of AI technology in the field of talent management.

Kailuan Group

Improved the level of intelligent material management through the material management system project, further deepened the integration of business and finance, and accelerated the comprehensive digital intelligence transformation.



In March 2024, the paper *Intelligent Manufacturing Transformation of Building Material Industry under the New Industrialization* written by an expert in the building material industry of Yonyou was selected for publication in the national professional journal *The Journal of New Industrialization* which is under the supervision of the Ministry of Industry and Information Technology and sponsored by the National Industrial Information Security Development Research Center.

A new chapter of intelligent manufacturing with human-machine integration

With the pioneering layout and continuous research and development innovation in the field of "AI+Enterprise Application", Yonyou is bringing unprecedented intelligent experience and value to enterprises and opening up a new imagination space for the enterprise service market. The Group deeply integrates YonBIP with the enterprise business system, truly integrates intelligent construction into enterprise operations and management, fundamentally innovates enterprise decision-making and operation methods, and equips enterprises with "AI application engines" for innovation and transformation.

In 2023, the Group released the industry's first large-scale enterprise service model - YonGPT , and successfully built AI-driven full-scenario intelligent services for many companies. In 2024, the Group focused on the four key areas of "AI+enterprise application", namely "Intelligent Business Operations," "Natural Human-Computer Interaction," "Smart Knowledge Generation," and "Semantic Application Generation," and further strengthened the research and development innovation with upgrade and iteration of intelligent applications. During the year, the Group released YonBIP3 R6, achieving stronger digital intelligence, higher operating performance, lower resource consumption, and greater security and reliability. It has helped many leading companies in various industries to successfully launch, and has accumulated rich industry-leading practices, making the product a milestone for YonBIP to move toward industrialization and large-scale development.

YonMate

It is an intelligent assistant for enterprise users based on YonGPT . With the help of task chain technology, "YonMate" can quickly perceive user intentions, decompose complex tasks into a series of microservices. Through problem insight, motivation mining, simulation calculation, and budget update, it realizes generative business analysis and inference prediction, providing enterprises with more efficient and convenient business solutions.

Example: When the administrator tells YonMate to "help me analyze the labor productivity for next year", YonMate can first accurately understand the user's intention, then break down the complex task into 4 key steps, automatically call the relevant business API to perform the task, and finally output an integrated analysis result, which greatly improves the efficiency of business analysis and forecasting, and provides strong support for corporate decision-making.

Digital Intelligence Employees

It is a virtual employee hired (subscribed) online by the enterprise. It has an image, language, name, and work number. It can take on different roles within the enterprise, such as tax risk compliance officer, procurement compliance officer, contract review assistant, customer service assistant, etc., based on the actual needs of the enterprise through the configuration and arrangement of various skills. It can perform business operations based on rules and specific time, and can even achieve the ability to perform work on demand through a large amount of machine learning, becoming a business expert who accompanies the growth of the enterprise.

Example: With the help of digital employees with specialized financial skills, the financial shared center can be unmanned. From intelligent form filling and collection, intelligent review, automatic voucher generation, automatic settlement, automatic reconciliation, automatic accounting, intelligent monthly settlement, automatic reporting, automatic tax filing to automatic archiving, a large amount of repetitive work in traditional finance can be completed intelligently, highly improving the operational efficiency of the enterprise.

YonKnow

It is an enterprise digital search platform. The tool combines core capabilities such as multimodal large models, AIGC and knowledge graphs, supports the search of internal enterprise knowledge, including documents, pictures, and videos, and related content will also be presented in the form of graphs. The upgraded intelligent search capability continues to be enhanced, improving product capabilities such as permission control, tag management and knowledge filtering, and enterprise vocabulary, greatly improving employees' efficiency in acquiring private domain knowledge information, reducing internal communication costs within the enterprise, and improving work efficiency.

Example: An employee of a company went on a business trip to Shenzhen and hoped to quickly search for his travel reimbursement amount on the company intranet. Under traditional search engines, the results returned are often a company reimbursement system document of dozens of pages, and employees have to spend a lot of time to find the answers they want. With YonKnow, the AI smart assistant will automatically search for the company relevant regulations, quickly understand and locate the travel standards part of the long document, intelligently link the human resources system to determine the employee's rank, and provide the corresponding travel standards and details. At the same time, it will also provide corresponding regulation documents and a demonstration video of the travel reporting process to help employees easily and one-stop solve travel problems.

During the year, the Group's research and development team marked a large amount of enterprise service corpus data based on the commercial application data of the big model, combined with enterprise application scenarios and field experience, to form rich big model training materials for enterprise service, and fully integrated business knowledge and field experience into the enterprise service big model to ensure the professionalism of it. Today, after continuous training and polishing, YonGPT has become increasingly powerful and has enabled many companies to realize AI innovative driving, accelerating the popularization of enterprise digital intelligence and helping enterprises to develop with high quality.

Talent Recruitment

Based on YonGPT's AI capabilities, Yunnan Baiyao provided more powerful support for enterprises to discover and attract outstanding talents, and efficiently solves candidates' inquiries on Group introductions, resume submission, interviews and assessments, offers and onboarding procedures, etc. during the application process, which greatly reduces the time interviewers spend on answering inquiries. According to Yunnan Baiyao statistics, after adopting AI interviews, the efficiency of talent screening has increased by nearly 60%.

Material submission

With the assistance of YonGPT, China Minerals has created a financial "digital intelligent employee" to regularly submit fixed-format statements or reports to regulatory agencies through designated platforms to report on the Group's financial and operating conditions. The work that originally took 180 minutes to complete manually can now be completed in just 1 minute based on the "digital intelligent employee", which greatly improves efficiency and realizes the standardization, refinement and precision of financial work.

Smart Search

YonGPT, Far East Digital Procurement realized intelligent search and fast intelligent bidding writing for massive bids, and even built a new large model search portal. For industry customer groups, YonKnow supports customized applications, including GPT capabilities for analysis reports such as corporate portraits, corporate risk control, corporate marketing, and graph applications, and is equipped with permission management, business connections, and search portals to form a convenient digital enterprise operation portal.

Digital innovation for a 10,000-ton lithium salt plant

Ganfeng Lithium was founded in 2000. It is the world's largest lithium metal producer and the largest lithium compound supplier in China. It is the only company in the world that has industrialized technologies for "extracting lithium from brine", "extracting lithium from ore" and "extracting lithium from recycling". Faced with increasingly fierce competition in the global lithium market, the Group relies on YonBIP to build a group-level industrial Internet platform to achieve real-time management of all global factories; relying on the data platform + IoT platform and equipped with a domestically-produced information technology time series database, the Group realized central control of the originally decentralized and fragmented underlying data, and effectively monitored various kinds of leakage, overflow, spillage, and seepage; the digital twin factory constructed by 3D modeling, while restoring the lithium salt production process, comprehensively displayed key data such as production, equipment, safety and environment, and human resources, helping to reduce energy consumption per unit by 5% and improve the accuracy of corporate decision-making by 10%.



In August 2024, the 2024 Beijing Artificial Intelligence Ecosystem Conference, hosted by Beijing Municipal Commission of Development and Reform, Beijing Association for Science and Technology, and Beijing Haidian District People's Government, was held in Beijing. The vertical large model of the transportation construction industry jointly developed by Yonyou and CCCC Information Technology stood out from more than 300 application cases and was successfully selected as one of the "Top Ten Cases of Beijing's First Batch of 'Artificial Intelligence +' Application Scenarios". At the same time, the vertical model of the public resource trading industry jointly launched by Yonyou and Shenzhen Far East Tech was selected as one of the "Typical Cases of Beijing's First Batch of 'Artificial Intelligence +' Application Scenarios".

Setting Sail Overseas, Collaborating for a Grand Vision

Globalization is one of the important strategic directions for the development of Chinese enterprises. In the new international environment, in order to adapt to changes and further expand a wider market space, many industry-leading Chinese companies are accelerating their overseas expansion and accelerating the pace of developing global operations. In the process of going overseas, Chinese companies need more powerful enterprise digital intelligent software and service support to improve global operational efficiency and management capabilities and enhance global competitiveness.

Yonyou has been setting up an overseas business team since 2003. Over the past 20 years, the Group has served more than 1,000 high-end customers overseas, with hundreds of people serving in the overseas business team. In 2023, the Group launched the Globalization 2.0 strategy and continued to upgrade it. By the end of 2024, the Group's business has covered more than 40 countries and regions around the world, realizing the transition from Asia Pacific to the world, and further expanding the European, North American, Japanese, and Middle Eastern markets, providing strong support and assistance for the global development of numerous companies.

YonyouBIP Global Digital Intelligence Solution

Provide digital software and services for global enterprises that support multiple languages, multiple currencies, compliance with multi-nation accounting standards, and integrated domestic and overseas management and control.

Based on customer's business application scenarios, we carry out regionalized and localized application pre-configuration, and rely on the globalization and localization layered application architecture model to further expand the scope of localized application implementation.

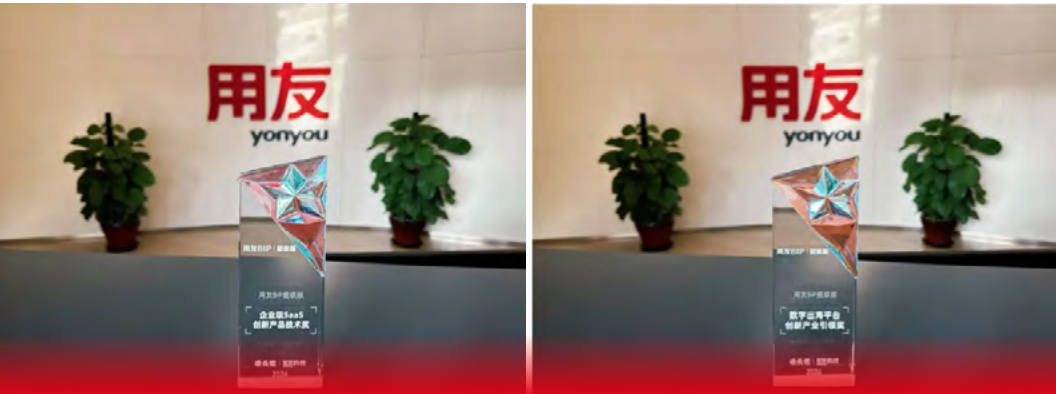
Establish a global remote delivery center to achieve seamless connection between cross-border cooperation and project management, and enable delivery services to move from a regional deployment model to a global centralized sharing model.

New World Development Co., Ltd

With the assistance of YonBIP, the company created a unified financial digital intelligent platform and constructed a cross-border financial accounting system, realizing effective integration of multiple accounting standards within the financial system, and seamlessly connected with the business, providing strong support for the development of the Group's global business.

Walsin Lihwa

Based on YonBIP, the company has deployed the system in both Mainland China, Taiwan and Hong Kong, realizing integrated digital modeling, integrated workbench and federal certification, establishing a unified process center and factory network outage disaster recovery, enabling transparent information sharing and efficient collaboration of group business.



YonBIP Ultimate won the "Lingyun Award" 2024 Enterprise SaaS Innovation Product Technology Award and the 2024 Digital Overseas Platform Innovation Industry Leadership Award. YonBIP Ultimate's global financial solutions provide multinational companies with a series of functions such as multi-standard accounting, multi-currency processing, tax compliance, comprehensive budget management, global treasury management, and business travel expense control, helping companies to accurately record, compliantly present, effectively integrate and optimize financial data on a global scale, thereby improving the competitiveness and operating efficiency of companies in the global market; HR SaaS solutions help companies build a complete international talent management system, from global talent recruitment, management, training to salary and benefits, etc., to provide strong support for companies' globalization strategy.



Guarding Lucid Waters and Lush Mountains Together

Yonyou focuses on the major strategic planning in the "carbon peaking and carbon neutrality" field, and effectively leverages its strong technological advantages as a global leading provider of enterprise software and intelligent services, organically integrating environmental, social and governance concepts with product and service innovations, and continuously exploring sustainable solutions to support the comprehensive green transformation of economic and social development; the Group is committed to building an environmentally friendly operating mechanism, formulating energy-saving and carbon-reduction targets and ensuring their implementation, actively responding to climate change with practical actions, and guarding lucid waters and lush mountains.



Deepening support for low-carbon development

Yonyou keeps deepening the exploration of the core role of digital intelligent technology in achieving intensive, energy-saving, and environmentally friendly production and services. Utilising "platform + dual carbon" and other innovations and applications of clean technology, we built an industry-oriented one-stop sustainable development solution to help various industries move forward steadily on the road of green transformation.

The Group has established and improved the mechanism for identifying customers with sustainable development goals, and provided targeted solutions for key green transformation customers, including those in high-carbon emission industries, to help companies effectively solve the difficulties and pain points in the low-carbon transformation process. In 2024, the Group completed the organizational transformation and upgrade, and helped customers and partners accelerate digital and intelligent business innovation with improved business efficiency. At the same time, we accurately identified the green and low-carbon transformation needs of the industry, and enabled all walks of life to move forward steadily on the road of practicing the concept of "lucid waters and lush mountains are invaluable assets".

Energy 	Adhering to the concept of "Green Network, Digital Intelligence Driven", taking the digital and intelligent transformation of energy enterprises as a starting point, we enhanced the practical effectiveness of YonBIP energy industry solution, and used digital and intelligent technology to drive energy enterprises to achieve "low-carbon and clean energy" transformation.
Aviation 	Relying on YonBIP, we have created an "Airline Intelligent Fuel Saving & Carbon Emission Reduction" smart data analysis platform for airlines. We provided comprehensive data-driven solutions, assisting airlines in implementing precise carbon emission data collection, and comprehensively monitoring fuel-saving targets, effectively promoting green aviation.
Steel Metallurgy 	Focusing on the recycling of scrap steel, relying on technological advantages, we reintegrated scrap steel grading rule models, deep learning models, image collection and other functions and workflows, deepened the application of artificial intelligence large models, and further improved the efficiency and quality of scrap steel identification. At present, YonBIP intelligent scrap steel grading system is the intelligent scrap steel grading system with the largest number of contracts, the largest number of intelligent grading vehicles, the largest number of acceptances with the best industry reputation in China. In 2024, the Group released the 4th generation YonBIP scrap steel intelligent grading system, which has intelligently graded 524,000 vehicles and 10.11 million tons of scrap steel, covering more than 60 industry customers and helping to reduce carbon emissions by 16.17 million tons.



Chemicals and Papermaking 	Focusing on the green upgrade and transformation of key enterprises, we built an operation and management system integrating "intelligent management", "intelligent operation", "intelligent factory" and "industrial Internet" with "Smart +" as the core, to help enterprises fundamentally achieve energy conservation and emission reduction.
Environmental Protection 	We actively responded to the strategic deployment of building a beautiful China, using our superior technical strength to vigorously support pollution control enterprises to improve quality and upgrade, and continuously contribute to improving the quality of the ecological environment.



Leveraging superior technical strength to help emerging industries achieve green transformation

Sotong Development Co., Ltd. was established in 2003. It is a high-tech enterprise specializing in the research and development, production and sales of carbon materials. Currently, its commercial pre-baked anode production capacity ranks first in the world. Relying on the latest BIP platform, Yonyou built a new generation of data-driven smart factories for the company. Through the construction of seven major theme scenarios, including order fulfillment, research and development technology quality, business insight, intelligent production, reliable operation, smart energy, and data base, we created industrial big data based on data perception tools (IOT, images, relational databases, barcodes, and You Space). Combined with intelligent scenarios such as supply chain control towers, intelligent scheduling, safety behavior identification, personnel positioning, and intelligent batching, we successfully created a prototype of smart factories driven by data in the new era, achieving significant optimization and improvement of factory operating efficiency and production capacity, and providing strong support for the enterprises to achieve the "'0-20-1000' sustainable development goals".¹

Yonyou helps Taiyuan Boiler steadily advance its green transformation

As a national A-level boiler manufacturing enterprise, Taiyuan Boiler Group, faced with the challenge of low-carbon transformation, has built an economic operation system integrating budget, target, plan and execution by introducing the Yonyou intelligent manufacturing MOM system. It has optimized the entire production process relying on intelligent scheduling and APS advanced scheduling technology, forming a green manufacturing closed loop covering design, procurement and production, and setting a benchmark for the integration of digital transformation and sustainable development for the global energy equipment industry.

Yonyou cooperates with Shuangliang Group to build a digital and intelligent future factory for photovoltaic new energy

As a new entrant in the photovoltaic industry, Shuangliang Group needed to enhance its market competitiveness by strengthening its digital capabilities, aiming to cross the industry cycle and achieve sustainable development. In the process of building a 90GW monocrystalline silicon industrial park in Baotou, it built a photovoltaic smart factory based on the Yonyou intelligent manufacturing MOM platform, integrated 521 production equipment through IoT to achieve digital control of the crystal pulling process, increased the crystal formation rate by 15%, and improved the material turnover efficiency by 30% through the AGV automatic feeding system. The crucible thermal field intelligent analysis module reduced energy consumption by 22%, and reduced silicon material loss by 800 tons per year through the full-process carbon footprint traceability system. The carbon emission intensity per unit of production capacity decreased by 18%, providing a reusable "smart factory + green manufacturing" dual-drive paradigm for large-scale production and low-carbon transformation of the photovoltaic industry.

As a global leading cloud service provider, the Group continues to deepen the key role of cloud service technology in helping to save energy and reduce consumption, and works with partners to move towards achievement the "dual carbon" goals.

YonBIP
Procurement
Cloud

As of the end of 2024, a total of **554,000** companies used the YonBIP procurement cloud platform to conduct **28,000** online biddings and **1.334** million inquiries, with **59,000** suppliers participating, saving a total of **60** million yuan in travel costs and effectively reducing travel carbon emissions.

YonBIP
Tax Cloud

By the end of 2024, the Group provided tax-related and invoice-related services to more than **89,000** enterprises, issued up to **360** million electronic invoices, collected **166** million invoices, and issued **104,000** electronic accounting vouchers, achieving carbon emission reduction of **91,065** tons.

Yonyou helps Xiamen Airlines achieve digital fuel saving and precise cost control

Xiamen Airlines has built an efficient aviation fuel management system based on YonBIP Financial Cloud. By integrating various data such as flight plans, meteorological data, and airport support, it constructs a dynamic aviation fuel model, calculates the optimal refueling amount in real time, and combines it with a load balancing algorithm. This saves more than 16.4 million yuan in aviation fuel costs throughout the year, which is equivalent to reducing carbon emissions by 12,000 tons.



¹"0" means achieving carbon neutrality within the boundaries of anode production and operation by 2055; "20" means that by 2025, the net consumption of Sotong Development's products will be reduced by 20 kilograms based on the current industry average net consumption of anodes; "1000" means that by 2027, it will help downstream electrolytic aluminum users reduce the electricity consumption per ton of aluminum by 1000 kilowatt-hours based on the domestic average level.

Actively addressing climate change

Yonyou has long adhered to the concept of "green, environmental protection, and intelligence", and treats building a green and low-carbon operation system as an important means to respond to climate change, explores a green and low-carbon operation management mechanism that meets the Group's actual situation, and continuously improves the implementation and supervision of relevant goals to ensure that green operation-related management plans are practically implemented . The Group has established an energy-saving team to carry out regular revisions to energy-saving and consumption-reduction regulations based on the Group's operating conditions, while strengthening daily inspections and promptly rectifying problems found. In 2024, the Group invested more than 1.43 million yuan in environmental protection funds to optimize energy management, improve waste emission management, and promote environmental protection.

Guided by the *Carbon Peak Implementation Plan of Yonyou Industrial Park*, the Group has steadily advanced various energy-saving and carbon-reduction work with good progress.

Overall goal

Yonyou Industrial Park (Beijing) will achieve carbon peak (covering category 1 and category 2) no later than 2030 and achieve carbon neutrality no later than 2060.

Main indicators	Specific goals	Progress in 2024	Goal achievement
Green Energy 	Yonyou Industrial Park (Beijing) will achieve a green electricity share of no less than 50% of total electricity consumption no later than 2025, and achieve 100% green electricity coverage by 2030.	In 2024, 14,350 MWh of green electricity is used, accounting for 36% of total electricity consumption.	In Progress
Water Resources 	Yonyou Industrial Park (Beijing) will achieve the goal of using recycled water for greening irrigation accounting for no less than 50% of the total water consumption no later than 2023 , and achieve 100% recycled water coverage no later than 2024.	In 2024, recycled water was opened in the eastern area of the park, and all reclaimed water connection locations in the Group's Beijing park has been 100% covered by recycled water.	Achieved
Green commuting 	Yonyou Industrial Park (Beijing) will achieve complete replacement of fuel-powered shuttle buses and achieve 100% new energy bus coverage no later than 2025.	In 2023, the Group replaced all the shuttle buses with electric vehicles. At the same time, we adjusted the shuttle bus routes in real time based on the occupancy rate to minimize resource waste.	Achieved in advance

The Group has integrated the concept of "green, environmentally friendly, and intelligence" into the daily operations of each park, and has taken multiple measures to stimulate the improvement of green and low-carbon operation levels.



Electricity

The photovoltaic power station deployed in the Nanchang Park generated **462,164** kWh of electricity in 2024, reducing carbon dioxide emissions by **279.15** tons.

The ground - source heat pump with thermal energy storage central air - conditioning system deployed in Beijing and Nanchang parks saved a total of **8,626,605.96** kWh of electricity and reduced carbon dioxide emissions by **5,210.47** tons.

The Beijing Park used **14,350** MWh of green electricity in 2024, reducing carbon dioxide emissions by **8,667.4** tons.



Travel

The Group launched the BIP Expense Control and Business Travel Platform in 2023. In 2024:

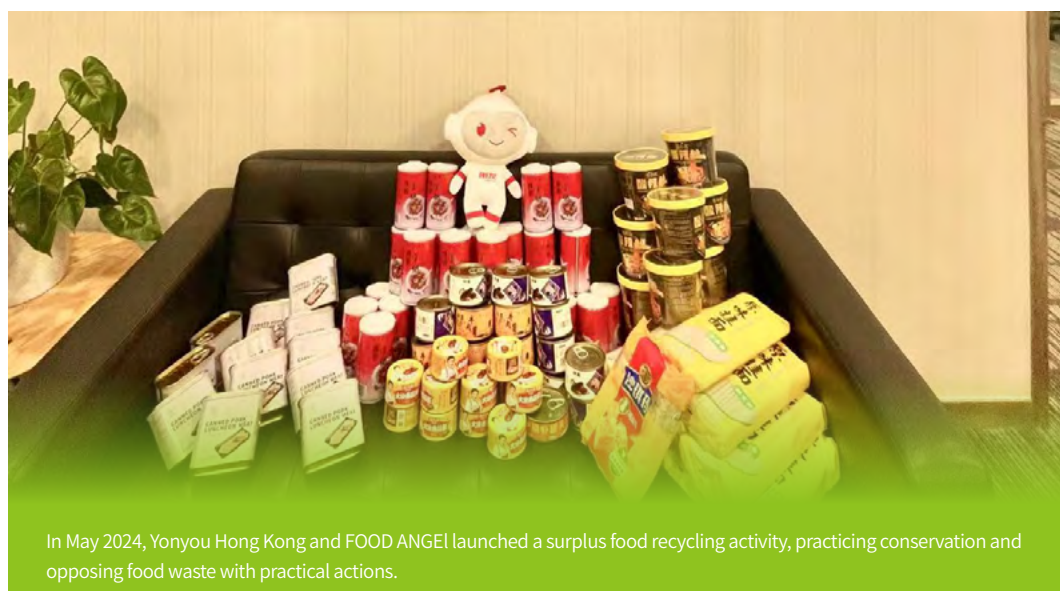
- Human intelligence review was performed 10,000 times;
- Financial digital staff performed 586,000 audit tasks;
- The proportion of automatic expense control documents reached 53.8%, and the proportion of shared unattended review reached 33.2%.

The revenue management was fully automated and 289,000 accounting records were processed:

- The online procurement contract electronic signing completed 1,235 orders from 64 partners;
- YonSuite contracts enable automatic generation of review-free mode, and simultaneously support electronic and offline signings;
- Greatly improved cost control efficiency and save office paper.

The Group pays attention to improving employees' environmental awareness, regularly sends "Energy Conservation Initiatives" to employees, and regularly organizes environmental protection public welfare activities to help build ecological civilization with practical actions.

1	- Offices and public areas should make full use of natural lighting and eliminate daylight. - When meetings conclude or work hours end (applicable to independent offices), the lights should be turned off to avoid leaving them on all the time.
2	- Strictly execute the national standards for indoor temperature control in public buildings, and adjust the indoor temperature of office areas to 18 degrees in winter and 26 degrees in summer. - Close doors and windows when the air conditioner is on to avoid wasting energy. - Turn off the air conditioning equipment in time after leaving work or after the meeting.
3	- Adjust the brightness of the computer monitor to an appropriate value to reduce power consumption and protect eyesight . - Turn on power-saving settings such as "turn off the monitor after 10 minutes of inactivity" on office computers, and turn off the power of the computer, monitor, printer, router and other devices before leaving get work. - Turn off the conference display screen and conference control equipment in time after the meeting. - Double-sided paper is encouraged to improve the level of paperless office and reduce paper waste.



4	- Avoid opening the faucet too wide. After using, the faucet should be turned off in time to stop the water when people leaving and eliminate the phenomenon of continuously running water. - When people find dripping or long-term water flow, they should report it to the property management immediately.
5	It is encouraged not to take the elevator for short-distance travel between floors.
6	Limited use of public transportation or centralized boarding of the company's new energy buses are encouraged.



Creating a Beautiful Scenery through Harmonious and Coexistence

Centering on people, Yonyou focused on the mission and responsibilities in the process of high-quality economic and social development. We aim to create talent development channels through multiple measures and dimensions, comprehensively improve employee capabilities, and help employees realize more value; We deeply cultivate the industry ecosystems, and work with partners to build a prosperous business environment; empower social organizations with superior technical strength, and made digital intelligence a "booster" for the high-quality development of public welfare undertakings; solidly advance public welfare and charity actions, deepen and execute public welfare brand projects including the protection of commercial cultural heritage, and contribute to people's better life with the responsibility of a "Great Power Brand."



02



Employee care and common growth

Talent Attraction

Yonyou strictly abides by laws and regulations, including the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, and has formulated a series of recruitment policies and systems such as the *Yonyou Group Recruitment Management Rules* and *Yonyou Group Intern Management Rules*, etc. We have conducted in-depth practices to build Yonyou into a platform where "employees work happily, achieve career success, and share in success", and to construct a compliant, harmonious, and equal employment system.

The Group is committed to treating all candidates fairly and justly, with no discrimination based on race, skin color, religion, gender, age, disability, marital status, nationality, ethnicity, or any other legally protected status. We firmly oppose and prohibit any form of child labor and forced labor. Upholding equality and diversity in our recruitment process, the Group supports the career development of female and minority employees, attracting outstanding talents equally and with various backgrounds and skills. In 2024, the Group's female employees accounted for 34.3% and the number of ethnic minority employees reached 1,068.

The Group has carried out extensive employer brand promotion, and has conveyed complete, accurate and comprehensive employer information and employee experience to potential employees through various channels such as the official website, WeChat public account, and talent recruitment platforms. It has also actively organized various forms of cooperation with colleges and universities to attract outstanding fresh graduates to become a member of the Group. In 2024, the Group recruited a total of 2,834 new employees and provided internship opportunities for 8,909 interns.



Organizing and conducting online recruitment seminars for the 2025 campus recruitment

Campus Recruitment



Social Recruitment

- We launched two new special talent campus recruitment programs, the "Youxinling Internship Retention Program" and the "High Potential Talent Program", to continuously introduce high-potential and high-quality campus recruits to the Group and build a reserve pool of high-quality campus recruits.
- We conducted live broadcasts of campus recruitment and organized five online presentations, including "Youth Talks: Face-to-face with High-potential Seniors" and "25th Rising Star Internship and Retention Program - HR Q&A Session", with more than 40,000 people watching the live broadcasts.
- We have created two special activities for school-enterprise cooperation and exchange, namely "You Factory Tour" and "You HR's message", to provide college students with one-on-one employment consultation and new experience of school-enterprise interaction.
- **Diversification of recruitment channels:** We used various channels such as domestic and foreign recruitment websites, talent markets, etc. to find and attract potential candidates and effectively expand the Group's talent pool.
- **Digital intelligent recruitment:** We upgraded recruitment business and improved recruitment efficiency through AI technology to provide candidates with a better job-seeking experience.
- **Recruitment process optimization:** We added integrated resume screening and self-service interview appointment functions, improved online application registration forms, job sequence-based interview evaluation forms, and interviewer satisfaction evaluation forms to make the recruitment process more convenient.
- **Empowerment and improvement of recruitment managers:** In 2024, we released two recruitment guidance documents, *Yonyou Recruitment Position Empowerment Manual* and *Yonyou Recruitment Officer Red Book* for all recruitment positions in the group to empower recruitment managers in system operation, recruitment system, channel and tool use, recruitment skills improvement and other aspects, and to comprehensively improve the general capabilities of recruitment positions.



We organized teachers and students of Beihang University to participate in the "You Factory Tour" activity at the Yonyou Beijing Park, providing teachers and students of the university with the opportunity to gain in-depth understanding of ToB companies and personally experience ToB products and services.

Talent Development²

Staff Training

Yonyou has established a three-level training system consisting of Yonyou Learning and Training Center, training posts in business units at headquarters, and training posts in front-line institutions to form a training mechanism with clear hierarchy and clear focus to help employees continuously improve their core competitiveness. In 2024, the Group has taken multiple measures to implement detailed employee capacity development work.



Front-line concentrated open courses

- We conducted "front-line concentrated open courses" for industry and business divisions, regional organizations, regional branches, and front-line sales of subsidiaries . A total of 23 open courses were held, with a total of 1,043 people trained. The training satisfaction score was 4.8 points (out of a total of 5 points), which effectively improved the front-line business capabilities and stimulated business development.



Stratified Foster of Cadre

- A thematic study session on "Empowering Organizations and Improving Efficiency" was conducted for middle and senior-level cadres, and nearly a thousand cadres at all levels signed up for the study session.
- We conducted special training for grassroots and middle-level cadres, providing seven special courses such as Overcoming the Five Obstacles to Teamwork and The Road to Leadership, with more than 400 cadres participating in the courses.
- A "Start-up Plan" was launched for newly appointed frontline cadres, with a total of five sessions carried out during the year, covering a total of 362 cadres from 24 organizations/institutions. The average score of offline training reached 4.92 points (out of 5 points).



Learning platform and course upgrade

- The upgrade of the learning platform "Youlexue 2.0" was completed, and several special learning center covering the entire group were established to realize the Group's integrated online learning platform with branch learning center operation to provide targeted learning opportunities for employees.
- We released serial course packages, providing sales, executives, cadres and new employees with contents including sales, execution capability development, leadership development and new employee online integration course packages, provided a fast course learning channel and improved learning efficiency.
- We improved the leadership training system, introduced advanced leadership courses, and customized training content covering core modules such as strategic planning, team management, change and innovation based on the Group's actual business scenarios. The leadership ability and general quality of cadres was comprehensively improved through various methods such as online-offline hybrid learning, action learning projects and mentor guidance.

Development Channels

We earnestly practice the value of "be professional", implement the "multi-channel" development mechanism for employees to achieve separate development pathways for the management line (M series) and the professional line (P series). In 2024, the Group further deepened the work of diversified promotion channels and optimized the operation development path in all aspects.

Optimizing management promotion paths	We improved the management promotion system based on multi-dimensional assessments such as qualification results, performance, and leadership, clarified the qualifications and promotion standards for management positions at all levels, and provided a clear ladder for advancement for employees with management ambitions.
Establishment of professional rank system	We reformed the job qualification standard system and certification system, transformed the competency models of the Group's 20 job families and 79 job sequences, and built a new job grade system and development channels. Guided by performance and results, and combining project contribution, professional knowledge and skills as core assessment indicators, we allow employees who focus on their profession to achieve corresponding career achievements and receive better treatment.

In 2024, the Group aimed to expand the development prospects of employees and work with the School of Business of Renmin University of China to tailor an on-the-job master's degree program for employees, covering popular fields such as business management and accounting. The project courses adopted a combination of online and offline methods to help employees make full use of their spare time to systematically learn cutting-edge knowledge theories, improve their academic qualifications and broaden their career horizons. In addition, the Group focused on motivating employees to take the initiative to learn. During the year, it formulated the *Reward Measures for Employees to Obtain PMP Qualification Certificates and ITIL Qualification Certificates*, giving corresponding rewards to employees who obtain specific qualification certificates to help employees improve their professional competitiveness.

Talent Retention

With the *Post Performance Management System of Yonyou Network Technology Co., Ltd.* as the core, Yonyou promoted the continuous refinement and upgrading of target process management, assessment and evaluation processes, etc., to ensure that the target management system and performance management system are scientific and efficient. The Group has established an employee stock ownership plan and implemented an equity incentive plan for key employees including senior management. A total of 2,238 employees received equity incentives during the year.

In 2024, the Group continued to implement lightweight agile assessments covering the entire group, and effectively implemented a communication and feedback mechanism for performance assessment results. Throughout the year, the Group achieved lightweight assessments for more than 17,000 people with more than 4,000 communications and feedbacks, effectively promoting employee goal achievement and personal growth and development. During the year, the Group linked the performance evaluation system with the "My Feedback" system, and the Group's cadres at all levels, line business supervisors/matrix supervisors provided comprehensive opinions on employee performance evaluations and performance results to employees, with an employee feedback coverage rate of 100%. The Group continued to improve relevant work processes, strengthened supervisors' communication and exchanged with each employee on goal progress, key events, improvement plans, growth and development during the assessment period, and promptly provided feedback on recognition and improvement suggestions for employees' work, helping employees to clearly understand their work performance and next step work plans during the assessment period, and providing good guidance for employee capacity improvement and career development direction.

²The Group's human resources development systems have been publicly disclosed on the "Sustainable Development Page" of the Group's official website. Please refer to it.

Employee Communication

Yonyou fully respects and protects employees' right to know, participate, express, and supervise business management, constantly improves trade union organizations and democratic management systems based on employees' representative assembly, and regularly holds employees' representative assembly. The Group fully reviews employees' opinions and establishes efficient and transparent communication channels. Relying on the Group's internal SNS (social network service) community, You Space and other information applications, the Group encourages all employees to put forward personal opinions and suggestions on issues such as the Group's business management and technological development, fully understand employees' core concerns and incorporate key suggestions into the Group's daily operation optimization procedures. In 2024, the Group carried out two sessions of "CEO Meetup", with more than 20,000 offline and online participants, further deepening the breadth and depth of employee communication and exchanges, building consensus and value orientation.



In the "CEO Meetup" session for employee interaction and Q&A, employees and executives of the Company interacted on issues of common concern, such as organizational upgrading, industry-wide cultivation, regional coverage, digital intelligent product planning, Chinese companies going global, organizational cohesion, and employee development. Everyone spoke freely, had sincere dialogues, and sought consensus, allowing the power of culture to permeate every corner of the organization, injecting a strong endogenous driving force into the company's future development.

The Group regularly organized a variety of cultural and sports activities to help employees maintain physical and mental health and achieve "happy work and healthy life".



In 2024, the Group organized the "Digital Intelligence Cup" YBA basketball matched to provide employees with a platform to showcase their basketball skills and team spirit, significantly enhancing the Group's internal team cohesion and employee morale. In the competition, each participating team demonstrated excellent competitive level and good sportsmanship, fully reflecting the positive corporate culture of Yonyou Group.

Employee Care

Yonyou is committed to creating a safe, comfortable and inclusive workplace environment and effectively safeguarding the physical and mental health of employees.

Improving equipment and facilities	To provide employees with a safe working environment, all furniture is green and environmentally friendly, and the panels used are on high-quality environmentally friendly E1 grade.
	Regular air quality testing was carried out in the new office area, and air purifiers were installed in the new office area; central air conditioners were cleaned weekly and disinfected every two weeks to ensure the air quality is up to standard.
	Three shuttle bus routes have been opened between key areas and transportation hubs, and five intercity rail shuttle buses run to and from Xi'erqi to provide convenient services for employees to commute to and from get off work.
	New AED equipment has been added to the gymnasium in the industrial park to improve the ability to deal with emergency first aid incidents.
Popularizing safety knowledge	Carried out publicity activities such as production safety and fire prevention on a regular basis; organized fire drills twice a year to enhance employees' safety awareness and emergency response capabilities.



In 2024, the Group launched the "Heart and Hand in Concert, Carry Forward with One Push" outdoor activity, organizing employees to participate in various collective collaborative outdoor activities, and encouraging employees to bring the team spirit and collaboration capabilities demonstrated in the activities into their daily work, and achieve common progress with the Group.

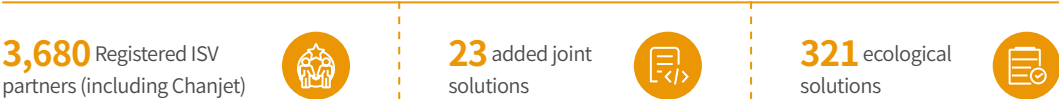


In 2024, the Group organized the "Must-Reach Mission Cup" badminton competition to provide employees with a platform to showcase their personal athletic skills, inspire their tenacious fighting spirit, and enhance team cohesion and collaboration.

Empowering with Ecological Capabilities

Yonyou has built the fastest-growing enterprise digital ISV ecosystem in China. The Group consistently upgraded its ecological strategy, focusing on "Deep Industry Cultivation and Large-Scale Development", deepening industry operations, strengthening cooperation with various ecological partners such as Independent Software Vendor (ISV), Technology/Platform/Solution Strategic Partner (GTP), Professional Service Partner (ISP), and Value-Added Reseller (VAR), and continued to build a closely coordinated Yonyou ecological partner network to create industry-integrated joint solutions and field application services together, bringing more professional and large-scale digital services to all walks of life. As of the end of 2024 , the Group had a total of 3,680 registered ISV partners (including Chanjet), focusing on customer value, and developing ISV cooperation with high quality. It has added 23 joint solutions, bringing the total number of ecological solutions to 321, and it has upgraded 44 BIP native products developed based on the YonBuilder low-code platform.

By the end of 2024



Building the Future with Social Responsibility

The Group has built three core public welfare brands, namely the "Yongyou Public Welfare Cloud" project to promote the digital intelligent development of the public welfare industry, the "Great Wall of Commerce" funding project to promote the protection of China's commercial cultural heritage, and the "Walk Side by Side with Friendship" employee volunteer service team, forming a Yonyou public welfare system covering social circles, business circles and internal circles. During the year, we conducted two social responsibility training sessions for all employees, and donated more than 8 million yuan to public welfare and charity.

In 2024



Yonyou Public Welfare Cloud

The Yonyou Public Welfare Cloud Project provides professional, efficient and practical integrated financial and project management products and services to public welfare organizations free of charge. In 2024, the Group developed internal volunteers to provide professional services to projects and funding agencies. By the end of 2024, the project has signed contracts with 143 organizations and 125 organizations have been in contract, with a total annual expenditure of 2.0035 million yuan .

During the year, the Group innovated its channel promotion methods, and carried out multi-channel publicity through live broadcasts, cooperation with local charities, and promotion in various regional industry WeChat groups, focusing on joint publicity with local hub institutions such as Beijing, Guangdong, Sichuan, Yunnan, Shandong, Henan, and Guangxi. A total of 109 new institution application forms were received, and the number of applying institutions increased by 28% compared to 2023.

By the end of 2024



List of Newly Signed Charity Organizations in 2024			
Serial number	Institution Name	Serial number	Institution Name
1	Tianjin Wuqing Tonghe Social Service Center	19	Huizhou Cihang Public Welfare Association
2	Shenzhen Nanshan Tengxing Culture and Art Exchange Service Center	20	Suzhou Xiangcheng District Yixin Public Welfare Service Center
3	Dali Bai Autonomous Prefecture Yixin Social Work Service Development Center	21	Zhijiang Dong Autonomous County Siyuan Social Work Service Center
4	Beijing Youngzhen Foundation	22	Dongguan Maitian Public Welfare Service Center
5	Xuzhou Qingci Social Work Service Center	23	Shanghai Pudong Hand in Hand Life Care Development Center
6	Beijing Guangmingdeng Charity Foundation	24	Changsha County Xingchen Social Work Development Center
7	Kunming Guandu District Gantang Social Affairs Service Center	25	Xingning Heshui Town Social Work and Volunteer Service Association
8	Shaanxi Chunshan Education Foundation	26	Hainan Aiyue Culture and Education Foundation
9	Beijing Shouyu Plan Public Welfare Promotion Center	27	Beijing Hulian Social Organization Resource Center
10	Guangdong Maitian Education Foundation	28	Urumqi Brave Act Foundation
11	Jiangyin Anhe Family Care Service Center	29	Shenzhen Zhongzhi Charity Foundation
12	Zaozhuang Yicheng District Zhilin Social Work Service Center	30	Beijing Rainbow Bridge Public Welfare Foundation
13	Meigu County Buckwheat Blossom Teaching Assistance Association	31	Tianjin Yujian Jinqing Public Welfare Foundation
14	Guizhou Women Volunteers Association	32	Hainan Bainayang Rural Revitalization Foundation
15	Nanyang Xinyue Social Work Service Center	33	Xiangyang Green Vest Environmental Protection Public Welfare Service Center
16	Shicheng County Heren Public Welfare Social Work Service Center	34	Chinese Red Cross Foundation
17	Rongcheng Leisu Social Work Service Center	35	Suining County Charity Association
18	Caoxian Volunteers Association	36	Beijing Xingyuan Public Welfare Foundation

List of Newly Signed Charity Organizations in 2024			
Serial number	Institution Name	Serial number	Institution Name
37	Zhuhai Hummingbird Project Public Welfare Culture Promotion Center	54	Jianning County Happy Seeds Social Work Service Center
38	Guizhou Houde Public Welfare Foundation	55	Sichuan Red Cross Foundation
39	SF Express Public Welfare Foundation	56	Hubei Yangtze River Ecological Protection Foundation
40	Zhongshan Blue Sky Rescue Service Center	57	Qiaojia County Baihetan Street Social Work Service Station
41	Beijing Qutoutiao Public Welfare Foundation	58	Qiaojia County Datong Social Work Service Center
42	Gansu Rainbow Public Welfare Service Center	59	Rongcheng Chishan Street Community Social Organization Association
43	Beijing Jiye Evergreen Social Organization Service Center	60	Nanchong Shangshan Social Work Service Center
44	Beijing River Watcher Environmental Protection Foundation	61	Chongqing Jiangjin Sunshine Social Work Service Center
45	Chongqing Dadukou District Meiming Social Work Service Center	62	Gao'an City Welfare Alliance Love Platform
46	Dezhou Lingcheng District Hongde Social Work Service Center	63	Longyan Xinluo District Red Pioneer Social Work Service Center
47	Hangzhou Shangcheng District Pengbu Street Chongdong Public Welfare Service Center	64	Sichuan Youth Development Foundation
48	Beijing Zhongzhi Children's Care Foundation	65	China Council of Lions Clubs
49	Kaijiang County Grid Worker Social Work Service Center	66	Zhongzhi Social Development Promotion Center
50	Suijiang Charity Association	67	Beijing Xinmeng Autism Children Care Center
51	Chengdu Wuhou District Xinhang Social Work Service Center	68	Beijing Haidian District Wuyue Youth Affairs Development Center
52	Beijing Heyi Green Institute	69	Beijing Daluan Xiangyu Charity Foundation
53	Nanning Qiyue Social Work Service Center	70	Shanxi Shijie Public Welfare Foundation

Arrangement and protection of China's commercial cultural heritage

The Group officially launched the "Great Wall of Commerce" project in July 2017, aiming to explore, protect, organize, research, publish and display China's commercial cultural heritage through supporting theoretical research, historical data compilation, database construction, etc. After eight years of development, the "Great Wall of Commerce" project has become a representative brand public welfare project, which not only plays a huge guiding role in academia, but also brings a new perspective and method to China's public welfare industry.

In July 2024, Yonyou Foundation announced the 8th "Great Wall of Commerce" funding project at the Annual International Symposium on Quantitative History, focusing on the direction of "Research on Chinese Business Technology and Data Heritage, and Historically Well-known Enterprises" , funding 5 key projects and 10 general projects , and the number and proportion of leading academic experts among applicants reached a record high. As of the end of 2024 , the project has allocated a total of 20.765 million yuan , and produced 22 monographs, 2 sets of historical data compilations, 1 collection of papers, 1 Chinese and English picture book, 1 micro-documentary, 7 databases, 10 research reports, 7 academic forums/seminars, and more than 140 papers.

As of the end of 2024



New funding projects for the 2024 "Great Wall of Commerce"			
Serial Number	Project Name	Project Leader	Unit of the Project Leader
1	Research on Paper Money in Imperial China under the Interconnections of Transaction Mode and Public Finance	Ping HE	Renmin University of China
2	The history of the development of modern banking in China	Yingui ZHU	Fudan University
3	Research on the Historical Evolution of Chinese Lending Algorithms (Pre-Qin to 1949)	Yunzhang LIAO	Guangzhou University
4	Supplementary Compilation of Six Hundred Years of Huizhou Merchants' Materials	Shihua WANG	Anhui Normal University
5	Intelligence production of British Foreign Office on China: survey and statistical data on trade in the Yangtze River (1861-1911)	Binbin ZHENG	Shanghai University
6	A Study on the Trust-Building Technique of Early Chinese Commercial Contracts and Their Evolution in Later Periods	Shengli KANG	Guangxi University for Nationalities
7	A Study on the Commercial System and Technology of Turpan, Xinjiang in the Qing Dynasty	Xiuying MA	Sun Yat-sen University
8	Compilation and research of historical documents of Chinese business associations in Southeast Asia	Hua WANG	Jinan University
9	Collection and Arrangement of Data on the Use and Circulation of Money in Markets during the Qing Dynasty	Shidi ZHAO	Wuhan University
10	Collection and collation of historical materials on traditional Chinese medicine trade in Shanxi during the Qing Dynasty and the Republic of China	Yang LIU	Shanxi Medical University
11	Database Construction and Research on Chinese Merchant Organizations using Local Gazetteers (1700-1900)	Yiling ZHAO	Peking University
12	A Study on Folk Measurements in North China since the Ming and Qing Dynasties	Haifeng ZHAO	Shandong University of Finance and Economics
13	Compilation of Historical Materials on Eu Yan Sang Group from the National Library of Singapore	Haigang SHUI	Xiamen University
14	A Study on the Operation of Carlowitz Co. in China 1928-1956	Tao CHEN	Tongji University
15	New business model: A study on provincial trade control of provincial enterprises and companies during the Anti-Japanese War (1937-1945)	Zhengliang LU	Southwest Minzu University

"Walk Side by Side with Friendship" Employee Volunteer Service

The Group actively organized volunteer service activities, and conducted volunteer services in various forms such as extensively linking external resources and cooperating with outstanding public welfare organizations. As of the end of 2024, the "Walk Side by Side with Friendship" volunteer service team had a total of 665 registered volunteers, with a total service time of 3,189 hours. With the advantage of professional talents, the Group provided professional services such as consulting, training, and planning for the public welfare cloud project to meet a certain amount of personalized needs. In 2024, a total of 4 people were invested, with a total service time of 64 hours .

Upholding Integrity and Innovation to Forge Perpetuation

Yonyou consistently adheres to exploring the best practices of modern corporate governance, focusing on the inherent requirements of high-quality corporate development, deeply embedding environmental, social and governance (ESG) concepts in every aspect of the Group's business development, and building an ESG management mechanism covering the Group's Board of Directors, senior management, and executive-level business frontlines. We have steadily promoted the construction of the ESG system and focused on key aspects of ESG governance, continuously deepening capacity building and consolidating a culture of compliance, laying a solid foundation for the Group's long-term sustainable development.



03



Top-level design promotes standardization

Optimization of governance structure

We established a corporate governance system comprised of the Shareholders Meeting, Board of Directors, Board of Supervisors, and senior management. The Shareholders' Meeting is the highest authority in Yonyou, responsible for managing significant corporate matters. The Board of Directors acts as the decision-making institution, undertaking responsibilities related to business operations decisions. The Board of Supervisors, serving as the supervisory body, oversees the fulfillment of duties by the directors and management and is accountable to the Shareholders Meeting. This governance structure of "three committees and one layer" ensures that each entity performs its respective duties, effectively balances and coordinates operations, thereby guaranteeing that Yonyou's corporate governance is standardized, scientific, and efficient. In 2024, the Group organized 2 general meetings of shareholders, 7 Board of Director meetings, 6 board of supervisory meetings, and 9 special committees of the Board of Directors, reviewed and approved more than 50 proposals, with the attendance rate of directors reaching 100%; the Group completed the reform of independent directors and chairman of the board of supervisors to ensure a smooth transition of the Group's governance layer.

During the year, in accordance with the provisions of laws, regulations and normative documents such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange* and the *Measures for the Administration of Independent Directors of Listed Companies*, and in light of the actual situation of the Group, the Group revised its *Articles of Association*, the *Independent Director Working System*, the *External Guarantee Management System*, the *Related Party Funds Transaction Management System*, the *Investor Relations Management Measures*, the *Information Disclosure Management System*, the *Board Secretary Working System*, the *Insider Information Registration Management System*, the *Internal Reporting System of Significant Information*, the *Group's Shares Held by Directors, Supervisors and Senior Management and Their Change Management System*, and the *Accounting Firm Selection System*, so as to further enhance the Group's standardized governance level.

In 2024



Board Independence and Diversity

Yonyou has formulated relevant management systems such as the *Working System for Independent Directors of Yonyou Network Technology Co., Ltd.* to ensure the independence of the Board of Directors and continue to promote the diversification of the Board of Directors. The Group's independent directors are not influenced by the Group's major shareholders, actual controllers or other units or individuals with a vested interest in the listed companies. In principle, the Group's independent directors may serve as independent directors in up to three listed companies and ensure that they have sufficient practice and experience to effectively perform the duties of independent directors. As of the end of 2024, the Group's chairman did not hold senior executive positions such as the Group's president, and independent directors accounted for 1/2 of the Group's Board of Directors. The Group's independent directors serve as chairmen of the Group's special committees, and the audit committee includes at least one accounting professional who serves as the chairperson. During the year, the Group added a female director.

Information Disclosure and Investor Communication

Yonyou always adheres to the compliance, transparency and professionalism of information disclosure, constantly improves the timeliness and quality of information disclosure through multiple channels, and ensures the timely, complete, accurate and equal access of investors to Group-related information. In 2024, we completed the preparation of 144 temporary announcements and the disclosure of relevant documents through four legal information disclosure media, namely, *Securities Daily*, *Shanghai Securities News*, *China Securities Journal*, and *Securities Times*, and prepared four periodic reports, annual performance forecast and semi-annual performance forecast with high quality and the significant optimized disclosure content.

During the year, the Group organized three regular report performance briefings, using videos, texts and other methods to showcase the Group's business operations and performance, answering questions from shareholders and investors on the Group's performance, business development plans, product research and development, etc., clearly conveying the Group's development strategy and business plan, effectively enhancing communication between the Group and the capital market, and better meeting investors' needs for understanding the Group's business development and future strategic planning.

The Group focuses on optimizing the disclosure of information on the remuneration of directors³, supervisors and senior managers, and makes detailed disclosures in the annual periodic report on the changes in shareholdings and remuneration of current and former directors, supervisors and senior managers during the reporting period; and makes detailed disclosures in the periodic report on the equity incentives (stock options, restricted stocks) granted to directors and senior managers during the reporting period.

The Group attaches great importance to protecting the rights and interests of shareholders, especially small and medium-sized shareholders, and conducts diversified exchanges with small and medium-sized shareholders to ensure that small and medium-sized shareholders understand Group information in a timely, accurate and comprehensive manner.

Investor Hotline Calls	We actively answer calls from every investor, communicate with investors in detail about the Group's business progress and industry trends, answer investors' concerns, improve the quality of information disclosure and dissemination efficiency, eliminate information barriers between investors and listed companies, review investors' suggestions and organize feedback to the Group's management. In 2024, the Group answered 447 calls to the investor hotline.
Live Events	The first "Investor Open Day" event was held, and the "Stepping into Listed Companies" survey was organized in conjunction with the Beijing Listed Companies Association to receive investors to visit the Group and gain an on-site understanding of the Group's business and development. We designed product interaction scenarios, focus on AI technologies that are hot topics for investors, designed six scenarios, and through on-site human-computer interaction, we designed simulated application experiences to demonstrate product usability and performance improvements under the AI wave. The present institutional investors can thus intuitively and directly feel the development of the Group's products, enhancing their confidence in the Group's future product development. We invited customer representatives to participate in the "Customer Interview" session to share the important moments and decision-making process from product selection to construction from the customer's perspective, experience the differences between industry iteration logic and industry experience barriers, demonstrate Yonyou's industry-leading position in the process of localization and globalization, and customers' recognition of the products and team's professional capabilities.

³For detailed information, please refer to the "2024 Annual Report of Yonyou Network Technology Co., Ltd." released on the same day as this report.



In May 2024, the Group held an investor open day event at the Digital Intelligent Theater of Yonyou Industrial Park (Beijing), inviting investors to have face-to-face exchanges and communication with Group executives to deepen investors' understanding and cognition of the Group's business and development prospects.



In October 2024, the Group and the Beijing Listing Association jointly organized the "Beijing Listed Companies at Yonyou Networks" event to promote industry exchanges and enhance mutual trust through field visits and face-to-face discussions.

Compliant Operations adhering to Original Aspirations

Business ethics⁴

Management Mechanism

We established an independent Group Audit and Supervision Department, separated from business and other functional departments, responsible for the Group's internal audit, investigation of reported illegal and non-compliant behaviors, and handling of violations. This department is accountable to the Board's Office and reports to it. A member appointed by the Board's Office (the director in charge) represents the Board's Office in overseeing the audit and supervision work. A senior management member is also appointed to concurrently serve as the General Manager of the Group Audit and Supervision Department, responsible for the internal audit and supervision work under the leadership of the director in charge. We have established a comprehensive internal control management system covering financial management, risk management, compliance review, and other areas, formulating and continuously updating *Supervision System of Yonyou Network Technology Co., Ltd.* and the *Internal Audit System of Yonyou Network Technology Co., Ltd.* to ensure a reliable, evidence-based and efficient internal supervisory task.

Audit supervision

We are committed to helping the group build a scientific business operation management system that adheres to the principle of "establishing rules beforehand, controlling risks during, and strict accountability afterward." We actively constructed and operated a comprehensive, compliant, fair, and efficient audit and supervision system. Through audit activities, reporting channels, and internal feedback, we conducted comprehensive supervision of all Group employees, partners, and suppliers; conducted initial inquiries, case establishment, and investigations for illegal and non-compliant matters strictly according to procedural regulations, ensuring the compliance of the audit and supervision work itself; and implemented a multi-department joint meeting and collective decision-making mechanism for handling non-compliant behaviors, ensuring the fairness of the outcomes.

The Group has steadily promoted audit and supervision work on a regular basis. During the year, we carried out audit and supervision projects such as departure audit, performance audit, special audit, and internal control evaluation, covering all the Group's main businesses and major risk areas, with a total of 68 audit projects; and completed the annual internal control self-assessment of 8 branches and subsidiaries. The Group entrusts external institutions to conduct internal control audits every year to comprehensively and objectively evaluate the operation of the Group's internal control processes. In response to the problems and risks found during the audit process, the Group promptly proposed rectification measures and organized rectification work in an orderly manner to improve the Group's operating efficiency and risk resistance capabilities, ensure the Group's standardized and efficient operation and management, and provide solid guarantees for the Group's sustainable development.

68 audit projects



8 self-assessment in branches and subsidiaries



⁴ The Group's business ethics systems have been publicly disclosed on the "Sustainable Development Page" of the Group's official website. Please refer to it.

Reporting and Protection of Informants

We have developed and perfected the *Yonyou Group Reporting Management Regulations*, applicable to all group employees, including interns and contract staff, as well as external consultants, supplier service personnel, and partners involved in joint on-site development. We will reward informants whose reports are substantiated through investigation and make significant contributions to the Group. Simultaneously, we require staff who receive reports or participate in investigations to strictly adhere to confidentiality, not to disclose the identity of the complainant or reporter to any department or individual without authorization, and prohibit any discriminatory or retaliatory actions against informants, ensuring their protection during the investigation process.

Employee Behavior Management and Incorruptibility Construction

We are committed to building a long-term mechanism of "Dare not corrupt, can't corrupt, and don't want to corrupt", deepening the approach of addressing both symptoms and rooting causes, and striving to create a clear, honest, and integrity-driven cultural ecosystem for the Group. We seriously address any behavior that violates the Group's integrity management system in accordance with the *Employee Standard of Commercial Conduct and Regulations of Yonyou Network Technology Co., Ltd. on Punishment of Employees' Violations*. In 2024, the Group dealt with 30 employees who violated the rules, including 6 employees who were fired or disciplined for corruption. During the year, the Group conducted 3 anti-corruption trainings covering all employees, partners and suppliers; anti-commercial bribery and anti-corruption training covered 100% of all directors and senior management of the Group.

In 2024



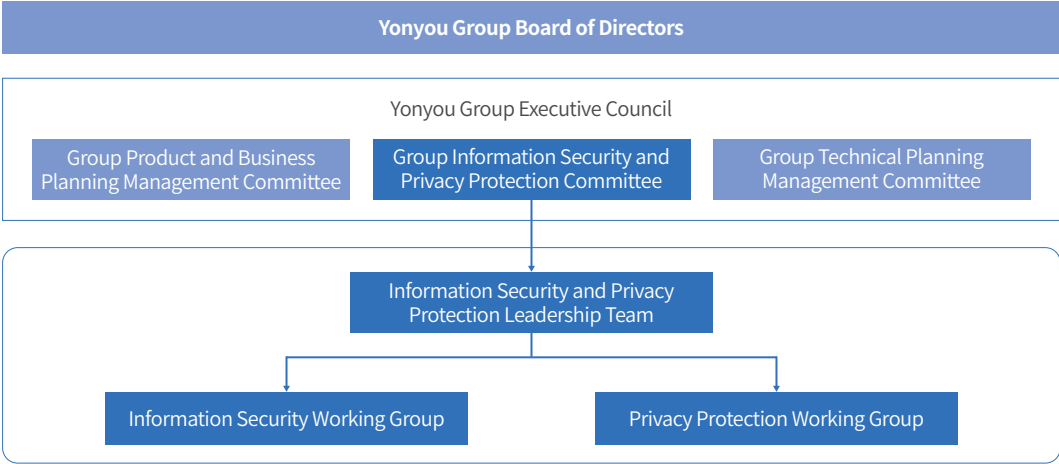
Responsible Procurement

Yonyou has formulated and regularly updated the Yonyou Procurement Management System to improve the management methods and working mechanisms related to supplier selection, training, assessment, supervision, elimination and safety management, accelerate the establishment of a responsible supply chain management system, and deepen the construction of a sustainable supply chain.



Intelligent Security Brings Safeguard⁵

Yonyou strictly abides by the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China* and other laws and regulations, and builds a complete data security and privacy protection governance system. We have set up the "Group Information Security and Privacy Protection Committee" under the Group Executive Council, with subordinate "Information Security and Privacy Protection Leadership Group", "Information Security Working Group", and "Privacy Protection Working Group". The members cover the group's product lines, branches and subsidiaries, and industry customer divisions and other front-line organizations. A total of 98 security directors have been appointed to be fully responsible for the group's information security and privacy protection related work.



Information Security and Privacy Protection Leadership Group	Assessed the overall security risks according to the Group's development strategy and national laws and regulations and industry regulatory requirements, and formulated the Group's overall information security and privacy protection strategy and goals.
	Provided decision-making and resources for information security and privacy protection work, and reviewed and approved important matters related to information security. Coordinated and promoted the construction of various safety tools and protective measures, guided and designed and supervised the implementation of various safety work.
We promoted internal security governance, handled security incidents, and encouraged the promotion and implementation of various group security requirements within the organization to meet regulatory compliance and Group security objectives.	
Privacy Protection Working Group	We interpreted relevant national laws and regulations on privacy protection and met customers' needs for privacy protection, handled privacy security risks, optimized privacy protection systems and processes, and promoted the realization and implementation of privacy protection foundations.

Data Security

Institutional Guarantee

Yonyou practices the principles of "people-centricity" and "everyone is responsible for cybersecurity," continually improving our security management system. Through the *Yonyou Data Management System* and *Yonyou Group Personal Information Protection Management Specification* applicable to the group headquarters and all domestic organizations and subsidiaries, we clarified the responsible departments for data and privacy protection, standardized the working methods and data classification standards for data and privacy protection, and ensured that the collection, management, processing, and application of data resources are carried out in an orderly and efficient manner.

In 2024, in accordance with relevant management systems, the Group promoted 12 subsidiaries to carry out information security governance, held 12 working meetings to deploy security management requirements, assisted subsidiaries in solving difficulties in the security governance process, and promoted subsidiaries the further improvement of their efficiency in customer security, privacy governance, R&D process security, routine security testing, and security training.

In 2024

12 subsidiaries to carry out information security governance

12 working meetings to deploy security management requirements

Risk Control and Emergency Mechanism

We developed *Yonyou Group Operational Security Management Specification* and *YonBIP Network and Information Security Emergency Plan*, establishing and improving mechanisms for the prevention and emergency handling of network and information security incidents. We standardized the emergency response processes and measures for security incidents, enhancing our ability to respond to network and information security events and ensuring the secure and stable operation of crucial YonBIP networks and information systems.

In 2024, the Group issued the *Yonyou Group Network Security Incident Reporting Management Measures* applicable to the entire group, further clarifying the classification and classification methods of network security incidents, refining the reporting process of different types of security incidents, and extending the dynamic perception mechanism of network security to front-line projects, greatly improving the emergency response and handling efficiency of network security incidents. In 2024, the Group successfully handled more than 20 various regulatory security incidents and customer security incidents relying on this mechanism, effectively protecting the data security of customers and the Group.

The Group has developed a comprehensive response mechanism for potential data leakage accidents, and takes protection and isolation measures as soon as the data is leaked, isolating the affected systems or devices from the network to prevent further leakage and damage of data. At the same time, technical personnel will urgently carry out recovery or reconstruction work, and continue to track the subsequent problem repair until the loop is closed. In 2024, the Group did not have any significant data leakage/information security incidents.

During the year, the Group developed and launched a number of special tools, and deepened the testing and verification of zero-trust tools, focusing on improving product security and capability building.

⁵The Group's data security and privacy protection systems have been publicly disclosed on the "Sustainable Development" page of the Group's official website. Please refer to it.

Group Network Asset Security Risk Unified Monitoring and Disposal Platform (YSMD)	- Integrated all software and hardware servers of the group's R&D network, office network and production network, more than 15,000 and more than 5,000 domain names. - Realized real-time monitoring and alert exposure risks, security vulnerabilities, attack incidents, baseline violations, etc. - Achieved a comprehensive understanding of each organization's security risks and the implementation of security work, assigned all asset responsibilities to individuals, automatically updated security risks on a regular basis, and supervised rectification in a timely manner.
Group product vulnerability unified detection platform (Youyunjian)	- It realized unified vulnerability detection for all the main product lines of the group, and can discover security vulnerabilities of all existing products of the group at early time. - Through the security dashboard function, we realized security vulnerabilities detection of customers across the country to effectively and conveniently carry out targeted governance work. - Realized unified process management and unified data management of security vulnerabilities, and enabled real-time understanding of the security service status of front-line personnel.
Multi-factor access control (MFA)	Multi-factor access control (MFA) system covering all Group applications and products has been established, and the Group has fully entered the equipment-based access level. The overall security capability baseline of customers has been comprehensively improved, and the security service capabilities of international leading manufacturers have been aligned .



Supply Chain Security Management

Yonyou has formulated *Yonyou Group Supply Chain Security Management Specification*, *Yonyou Group Project Implementation and Customer Service Security Management Specification*, and *Yonyou Group Product Security and Emergency Response Management Rules*, etc., to ensure the security control of the entire supply chain.

Upstream Suppliers	Downstream customers
Suppliers are classified into ISV partners, third-party partners, OEM partners, outsourcing partners, conventional suppliers (non-IT), and conventional suppliers (IT). Except for conventional suppliers (non-IT), all suppliers need to sign a supplier security agreement, on which basis OEM partners and conventional suppliers (IT) also need to undergo a supplier security review. In 2024 , hundreds of partners have signed the supplier security agreement, and security reviews have been conducted on 67 regular IT and OEM suppliers. We conducted security assessments at least once a year to review suppliers' security qualifications, information security and privacy protection, and suppliers' implementation of security agreements. In 2024, based on the review and assessment results, the Group signed rectification commitments with 10 suppliers and strictly supervised them to implement information security management.	By standardizing the security work methods and related requirements of front-line implementation, service, customized development, partner management and other departments, a Group-level standardized customer security service system has been established, which effectively supported the front-line emergency response work of product security and effectively ensured the security of customer systems and data. As the first of its kind across the country, this system has been recognized by regulatory agencies. In 2024, the Group launched the "three-piece set" of service execution security (risk notification letter, patch automation repair tool "Cloud Guard Patrol" and vulnerability detection and repair verification tool "Youyunjian"), which greatly reduced the security work entry threshold for front-line implementation service personnel and simplified the implementation of service execution security. We launched a customer security protection action to promote the implementation of the "three-piece set" of service security in all front-line projects and assisted thousands of customers in repairing security vulnerabilities.

Upstream supply chain security control	Supply chain self-security	Downstream supply chain security control
Supplier Management	Trusted research, development, and operations	Project delivery and customer service
Supplier admission Procurement Management	Security requirements Security design	Implement security Client device and open source software security
Third-party security management	Secure development Security testing	Deployment security Service security
Third-party product security Third-party service security Third-party personnel security Open source software security	Product security emergency response	
	PSIRT organization Vulnerability remediation	Vulnerability collection Vulnerability disclosure

Security Audit

We actively engaged external organizations to conduct regular IT audits annually, ensuring that information assets are fully protected. In 2024, these external organizations audited the Group's overall information system control environment and mechanisms, ensuring the effective implementation of internal controls for information technology and the ability to identify threats related to information systems and assess the impact of each threat.

Privacy Protection

Yonyou pays great attention to the protection of users' personal privacy, formulates and publishes the *Yonyou Group Personal Information Protection Management Specification* applicable to the entire group, and guides the Group's overseas institutions to formulate relevant specifications for personal information and privacy protection in accordance with local laws and regulations. In 2024, the Group revised and improved the *You Space Privacy Policy*, *Yonyou Cloud Registration Agreement*, and *Youfeikong Privacy Policy* in accordance with the latest laws, regulations and regulatory requirements in the field of personal information security protection, to provide a solid institutional foundation for continuously improving personal information processing rules and strengthening privacy management, and to ensure that the privacy protection management mechanism is legal and compliant.

Management Process

We actively uphold principles of transparency, compliance, and respect for users. Before collecting and processing information, we seek user consent through pop-up forms, thereby fully safeguarding users' right to be informed and to make decisions. We strictly adhere to standards regarding the collection, transmission, storage, use, and sharing of personal information, implement standardized management of personal information throughout its life cycle, ensuring users' rights to access, modify, and delete their personal data. Additionally, we stringently regulate our collaborations with third parties, setting clear guidelines for the scope, duration, purpose, and method of third-party personal information collection. We promise not to rent, sell or provide personal data to third parties for purposes other than transactions and services.

Requests from personal information subjects	Outsourcing of personal information processing
• Inquiry and modification of personal information: The Group should provide customers with channels to inquire about personal information. If the subject of personal information finds that the personal information held by the Group is incorrect or incomplete, the Group should provide them with a method to request correction or supplement of the information. • Deletion of personal information: The Group should provide customers with a channel to delete personal information. If the subject of personal information finds that the Group has violated laws and regulations or violated the agreement with the subject of personal information, the Group should delete the personal information upon request. If the product terminates service or operation, the user should be notified at least thirty days in advance, and the user's personal information should be deleted or anonymized after the termination of service or operation. • Authorization and withdrawal of personal information: Users should be provided with a method to withdraw authorization of personal information. After the withdrawal of consent, the Group shall not process the corresponding personal information in the future.	• If it is necessary to entrust a third-party organization to process the personal information collected by the Group, the entrustment should not exceed the scope of the authorization and consent obtained from the subject of personal information. • Evaluate the entrusted party to ensure that it has sufficient personal information protection level, including but not limited to: security qualifications, personal information protection regulations/data security regulations, capabilities and practices, etc. • If the entrusted party fails to process personal information in accordance with the entrusted requirements, or fails to effectively perform its responsibility for protecting personal information security, the Group requires the entrusted party to immediately delete all personal information obtained from the Group. • If entrusted to process personal information collected by a third-party organization, a commission contract shall be signed with the third-party organization, and personal information shall be processed in accordance with the terms of the commission contract. Personal information shall not be processed beyond the agreed processing purpose, processing method, etc. If the commission contract is ineffective, invalid, revoked or terminated, the personal information shall be returned to the personal information processor or deleted and shall not be retained.
Yonyou Group Personal Information Protection Management Specification (Excerpt)	

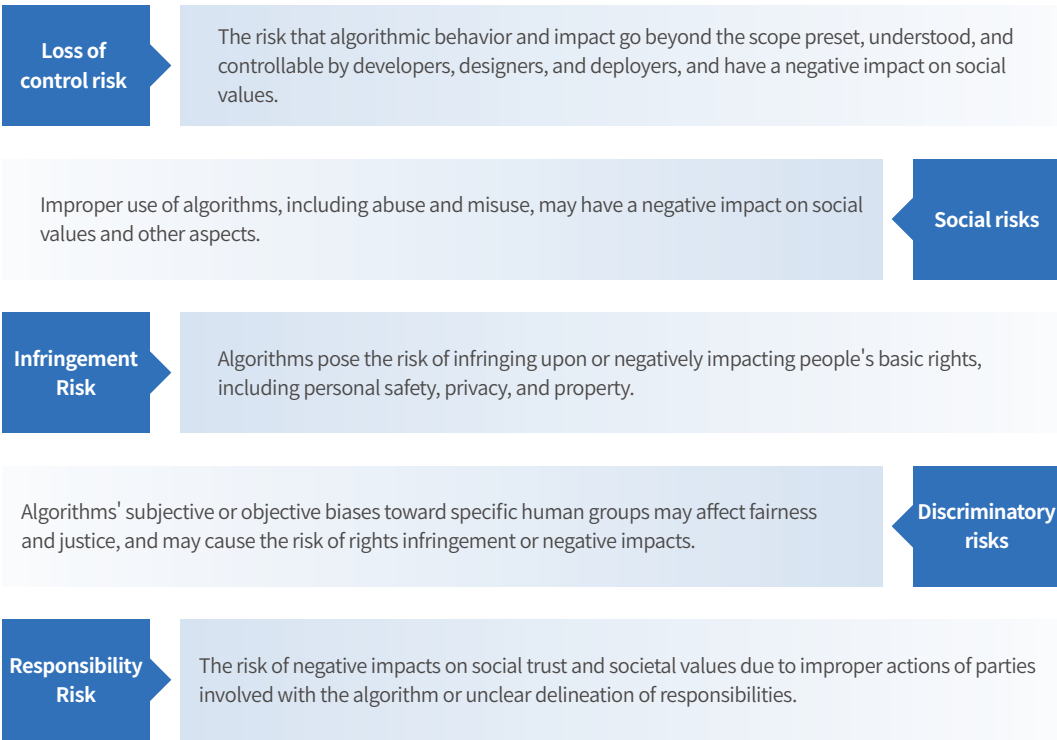
Protection Mechanism

The Group deeply integrates data protection measures into the product development process to ensure that the product is compliant and secure before its release. The Group established a DPIA (Data Protection Impact Assessment) evaluation system in the early stage of product development to evaluate business scenarios involving personal information in the product, clarify the protection needs and risks of personal information, and implement sensitive data identification management in the product design stage to identify and mark sensitive data in the product at all stages of the data life cycle. We provide customized data security capabilities for sensitive data management, and improve the overall security of data by performing access control, encrypted transmission and storage of sensitive personal information, and using de-identification and other technologies to desensitize data. In 2024, the Group did not have any significant personal information leakage incidents.

Science and Technology Ethics

Yonyou is committed to creating a harmonious, friendly, fair, inclusive, and safe algorithm system. We pay particular attention to respecting and protecting individual basic rights in technological ethics, especially safeguarding vulnerable groups, and striving to eliminate the digital divide, sharing the benefits of technological progress fairly with everyone. The Group has formulated the *Yonyou Group YonBIP Algorithm Security Management Specification*, integrating science and technology ethics management into the entire life cycle of product development and business operations, and achieving the science and technology ethics governance goals of open collaboration, shared responsibility, and agile governance. We effectively prevent science and technology ethics security risks, establish algorithm security self-assessment and algorithm security monitoring mechanisms, to ensure that the algorithm is carried out on a legal, compliant and safe basis.

The Group regularly conducts identification and assessment of algorithm technology ethical safety risks, and solidly advances algorithm technology ethical safety risk management.



Capacity Building and Industry Cooperation

Yonyou has always been steadily promoting the construction of information security emergency response capabilities, organizing emergency training at least once a year, actively promoting security systems, and enhancing employees' safety awareness. In 2024, the Group organized 5 privacy and data security-related trainings, with 15,000 participants. The Group regularly conducted and participates in security attack and defense drills to continuously consolidate the security line of defense. In 2024, the Group successfully completed the national annual network attack and defense drills, the "Digital Security Escort" special action, and the supply chain security special inspection organized by the regulatory agency; carried out the annual security self-inspection, supply chain security self-inspection, and data security risk assessment with high quality, and fed back the self-inspection report to the regulatory agency. The Group has been recognized for three consecutive years by the National Information Security Vulnerability Sharing Platform (CNVD) for our outstanding contribution to vulnerability handling.

The Group has passed and maintained a number of long-term information security system certifications, including ISO 27001 (Information Security Management System), ISO 27701 (Privacy Security Management System), ISO 27017 (Cloud Computing Information Security Management System), ISO 27018 (Public Cloud Personal Identifiable Information Management System), CSA-Star (Cloud Security Management System), DCMM (Data Management Capability Maturity Assessment), Level 3 Cybersecurity Protection, Trusted Cloud Service, Trusted Cloud Security, Trusted R&D Operations, and EAL3+ (Information Technology Product Security Evaluation Certification), CCRC (Information Security Service Qualification Certification), SOC 2 (Service Organization Control 2), etc. The Group's information security certification standards cover all products and services of the group to ensure the safety and compliance of users' use of products. In 2024, the Group obtained the first batch of "Data Security Construction Capability Certification (DSCC)" issued by the "Digital Working Committee" of the Zhongguancun Information Consumption Alliance in the country.

We established good communication mechanisms and cooperative relationships with organizations such as the Ministry of Industry and Information Technology and various local regulatory agencies, ensuring the compliance and robustness of our business development. Throughout the year, we formed close partnerships with several well-known security vendors to jointly provide security services to customers and create comprehensive solutions. This not only enhanced our customers' security capabilities but also drove technological innovation and service upgrades across the industry. The Group is deeply involved in industry exchanges. As a member unit, we have joined the Technical Committee for Information Security Standardization (TC260), the China Communications Standards Association Cloud Computing and Open-Source Promotion Committee (TC608), the Data Security Industry Research Working Group of the Data Security Professional Committee of the China Computer Industry Association, the "Zhuoxin Big Data" program of the China Academy of Information and Communications Technology, and many other industry organizations.

In 2024



ESG Data Index

Environmental

Indicator name		Unit	2024
Addressing climate change			
Total greenhouse gas emissions ⁶⁷⁸		Tons of CO ₂ equivalent	17,706.77
By scope:	Scope 1 greenhouse gas emissions	Tons of CO ₂ equivalent	2,376.08
	Scope 2 greenhouse gas emissions	Tons of CO ₂ equivalent	15,330.69
By source:	Combustion	Tons of CO ₂ equivalent	2,376.08
	Electricity	Tons of CO ₂ equivalent	15,330.69
Pollutant Emissions			
Air pollutants	Total amount of gaseous waste	Cubic meter	1,098,925.40
	Particulate matter (PM)	kilograms	120.88
	Sulfur oxides (SO _x)	kilograms	0.59
	Nitrogen oxides (NO _x)	kilograms	1,318.71
	Volatile organic compounds (VOCs)	kilograms	101.10
	Total amount of effluents	Cubic meter	325,466.40
	Chemical oxygen demand (COD)	Tons	151.34
	Ammonia nitrogen (NH ₃ -N)	Tons	17.31
	Total Nitrogen (TN)	Tons	24.01
	Total Phosphorus (TP)	Tons	1.87

⁶Statistical boundary: Yonyou Industrial Park of Yonyou Network Technology Co., Ltd., No. 68 Beiqing Road, Haidian District, Beijing.
⁷Accounting boundary: Carbon dioxide emissions within the Yonyou Industrial Park of Yonyou Network Technology Co., Ltd., located at No. 68 Beiqing Road, Haidian District, Beijing, including direct emissions from 8 gas boilers, 128 gas stoves in 9 employee canteens, and indirect emissions from centrifugal chillers, heat pumps, boilers, water pumps, elevators, fans, air conditioners, lighting and office electrical facilities.
⁸Accounting standards and methodologies: Carbon Dioxide Emissions Accounting and Reporting Requirements for the Service Industry (DB11/T1785-2020).

Indicator name		Unit	2024
Total solid waste			
By waste type:	Total amount of hazardous solid waste generated	Tons	0.005
	Total amount of non-hazardous solid waste generated	Tons	275
Environmental Compliance Management			
Amount of significant administrative penalties imposed by relevant departments such as the ecological environment due to environmental incidents during the reporting period		Thousands of Yuan	0
Energy Utilization			
Comprehensive energy consumption		Tons of standard coal	6,217.48
By energy type:	Gasoline	Lifts	20,422.05
	Natural gas	Cubic meter	1,098,925.40
	Electricity	MWh	39,731.93
Direct energy consumption		Tons of standard coal	1,334.43
Indirect energy consumption		Tons of standard coal	4,883.05
Clean energy usage		MWh	26,255
By energy type:	Natural gas	Cubic meter	1,098,925.40
	Wind Energy	MWh	10,072
	Solar	MWh	4,278
Water resource utilization			
Total water consumption		Tons	406,833
Circular Economy			
Renewable resource consumption		Tons	34.45 ⁹

⁹Recycled water

Social

Indicator name		Unit	2024
Social Contribution			
Amount of charitable donations		Thousands of Yuan	807.64
Number of participants in volunteer activities		Number of visitors	665
Length of volunteer activities		Hours	3,189
Supplier Management			
Number of suppliers		Number	5,593
By region: Number of suppliers in mainland China		Number	5,525
By region: Number of suppliers in Hong Kong, Macao, Taiwan and overseas regions		Number	68
By region: The proportion of suppliers in mainland China		%	99
By region: Proportion of suppliers from Hong Kong, Macao, Taiwan and overseas regions		%	1
Product and Service Safety and Quality			
The amount of damage audited from significant safety and quality accidents related to products and services during the reporting period		Thousands of Yuan	0
Data Security	The specific amount involved in the data security incident	Thousands of Yuan	0
Customer Privacy Protection	The specific amount involved in the customer privacy breach	Thousands of Yuan	0
Staff			
Total number of employees		Number	21,283
By gender:	Number of male employees	Number	13,983
	Number of female employees	Number	7,300
By age:	Number of employees under 30 years old	Number	5,961
	Number of employees aged 30 to 50	Number	14,776
	Number of employees aged 50 and above	Number	546

Indicator name		Unit	2024
Amount of employee work-related injury insurance investment		Thousands of Yuan	508.74
Employee work-related injury insurance coverage rate		%	100
Number of staff training sessions		Time	422
Amount of employee training expenditure		Thousands of Yuan	368
Employee training coverage		%	97

Sustainable development related governance

Indicator name		Unit	2024
Anti-commercial bribery and anti-corruption			
Total number of directors covered by anti-commercial bribery and anti-corruption training		Number	All
Percentage of directors covered by anti-commercial bribery and anti-corruption training		%	100%
Total number of management personnel covered by anti-commercial bribery and anti-corruption training		/	All
Percentage of management personnel covered by anti-commercial bribery and anti-corruption training		%	100
Total number of employees covered by anti-commercial bribery and anti-corruption training		/	All
Percentage of employees covered by anti-commercial bribery and anti-corruption training		%	100
Anti-unfair competition			
The amount of litigation or significant administrative penalties caused by the Group's unfair competition during the reporting period		Thousands of Yuan	0

Content Index

Index to Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—
Sustainability Report (Trial)

Dimensions	Serial number	issue	Corresponding terms	Disclosure Location
Environment	1	Climate change tackling	Article 21-28	Guarding Lucid Waters and Lush Mountains Together; ESG Data Index
	2	Pollutant discharge	Article 30	Guarding Lucid Waters and Lush Mountains Together; ESG Data Index
	3	Waste disposal	Article 31	Guarding Lucid Waters and Lush Mountains Together; ESG Data Index
	4	Ecosystem and biodiversity protection	Article 32	/
	5	Environmental compliance management	Article 33	Guarding Lucid Waters and Lush Mountains Together; ESG Data Index
	6	Energy usage	Article 35	Guarding Lucid Waters and Lush Mountains Together; ESG Data Index
	7	Usage of water resources	Article 36	Guarding Lucid Waters and Lush Mountains Together; ESG Data Index
	8	Circular economy	Article 37	Guarding Lucid Waters and Lush Mountains Together; ESG Data Index
Society	9	Rural revitalization	Article 39	/
	10	Contributions to the society	Article 40	Creating a Beautiful Scenery through Harmonious and Coexistence; ESG Data Index
	11	Innovation-driven	Article 42	Feature Story; ESG Data Index
	12	Ethics of science and technology	Article 43	Upholding Integrity and Innovation to Forge Perpetuation; ESG Data Index
	13	Supply chain security	Article 45	Upholding Integrity and Innovation to Forge Perpetuation; ESG Data Index
	14	Equal treatment to small and medium-sized enterprises	Article 46	Creating a Beautiful Scenery through Harmonious and Coexistence; ESG Data Index
	15	Safety and quality of products and services	Article 47	Upholding Integrity and Innovation to Forge Perpetuation; ESG Data Index
	16	Data security and customer privacy protection	Article 48	Upholding Integrity and Innovation to Forge Perpetuation; ESG Data Index
Sustainability-related governance	17	Employees	Article 50	Creating a Beautiful Scenery through Harmonious and Coexistence; ESG Data Index
	18	Due diligence	Article 52	Upholding Integrity and Innovation to Forge Perpetuation; ESG Data Index
	19	Communications with stakeholders	Article 53	Sustainable Development (ESG) Governance and Strategies
	20	Anti-commercial bribery and anti-corruption	Article 55	Upholding Integrity and Innovation to Forge Perpetuation; ESG Data Index
	21	Anti- unfair competition	Article 56	Upholding Integrity and Innovation to Forge Perpetuation

United Nations Sustainable Development Goals (SDGs) Content Index

chapter	content	Sustainable Development Goals
Feature Story: Marching Towards the "New", Anchoring New-Quality Productivity to Lead the Transformation and Upgrading of Industries	- Digital intelligence leads the way and empowers thousands of enterprises - A new chapter of intelligent manufacturing with human-machine integration - Setting Sail Overseas, Collaborating for a Grand Vision	   
Chapter 1: Guarding Lucid Waters and Lush Mountains Together	- Deepening support for low-carbon development - Actively addressing climate change	   
Chapter 2: Creating a Beautiful Scenery through Harmonious and Coexistence	- Employee care and common growth - Empowering with Ecological Capabilities - Building the Future with Social Responsibility	   
Chapter 3: Upholding Integrity and Innovation to Forge Perpetuation	- Top-Level Design Shapes Standardization - Compliant Operations adhering to Original Aspirations - Intelligent Security Brings Safeguard	  



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