

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

2022

About the Report

Yonyou Network Technology Co., Ltd. ("Yonyou", "the Group", "the Company" and "we") has been disclosing its non-financial information annually since 2014, with a total of nine social responsibility/sustainability reports issued by 2022.

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, 2022 to December 31, 2022. 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 2022.

Reporting Standards

The report has been prepared to comply with the GRI Sustainability Reporting Standards 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 "GRI Content Index" and the "SDGs Index" in the "Content Index" section. As a listed company on the main board of Shanghai Stock Exchange (hereinafter referred to as "SSE") (stock code: 600588), this report also refers to the social responsibility disclosure suggestions of SSE.

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 Company
- Outstanding sustainability practices of the Company
- 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. 2022 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:
<http://www.yonyou.com/>

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Chairman's Message



2022 is an extraordinary year. In this year, the 20th National Congress of the Communist Party of China was successfully held, which comprehensively planned the strategy of Chinese path to modernization. The goal of high-quality economic and social development puts forward higher requirements for the digital and intelligent transformation of thousands of industries. We have always adhered to the mission of "promoting business and social

progress with innovation and technology", and launched a new business innovation platform - YonBIP 3 within the year to upgrade the integrated service matrix and product ecology. At the same time, we have opened the era of ecological 2.0, comprehensively constructed the "Yonyou Ecological Partnership Network", enabling customers to acquire innovation capabilities in the new era of economic development characterized by digitalization and intellectualization.

In 2022, we have set up a sustainable development committee at the senior management level to promote the deep integration of the Environment, Social and Governance (ESG) concept and the company's all business management activities from the top level, and comprehensively improved the company's ESG management level. Yonyou's sustainable development work has entered a new stage.

By sticking to the right path, we build a solid foundation for development.

Since the listing, we have strictly followed relevant laws and regulations and various regulatory rules, constantly improved the corporate governance structure, strengthened internal control, disclosed information according to law, managed investor relations, adhered to equity distribution and value management, and attached great importance to the protection of the rights and interests of shareholders and creditors of the company. As the world's leading cloud service and software provider, we regard data security and privacy protection as the core priorities of the company's development, establish and continuously improve the system, strengthen the technical support and training mechanism, and lay a solid foundation for ensuring the information security.

Through technology empowerment, we protect the ecological environment.

We fully support the "3060" goal of carbon peak and carbon neutrality. With the Yonyou Jingzhi Industrial Internet Platform as the core, we implement the "platform + carbon peak and carbon neutrality" plan. With the industry-leading clean

technology products and services as the core, we enable thousands of industries to accelerate the green transformation, build an environment-friendly production and operation mode, and jointly address the challenges of climate change. We focus on ourselves, continue to improve the green operation mechanism, increase the use of clean energy, comprehensively promote the scientific management of energy and resources consumption, and do a good job in energy conservation, consumption reduction and carbon reduction.

Build a platform to protect the growth of talents.

We systematically promote the construction of employee development platform, improve the effectiveness of talent retention and employee career development in multiple dimensions, carry out employee training at different levels, implement medium and long-term incentive plans such as equity incentives, care about the physical and mental health of employees, and strive to build the company into a platform for employees to "work happily, achieve careers, and share success", and create a better life with each employee.

To carry out public welfare, we help build a better society.

We build the Yonyou public welfare cloud ecosystem, empower many public welfare organizations with advantageous cloud technology services and products, and contribute to digital and intelligent transformation in the public welfare industry; We expand the scope and depth of China's commercial and cultural heritage protection, and further enhance our support for relevant research projects.

During the year, we completed the registration of "walk side by side with friendship" volunteers in the volunteer association in city level, and the volunteer management moved forward to specialization and systematization. The company's public welfare activities are wonderful and fruitful.

The development of enterprises in the new era requires Environmental, Social and Governance concepts with a sustainable development perspective. In the magnificent era of comprehensively accelerating the digital and intelligent process of thousands of industries, Yonyou will work hand in hand with the vast number of stakeholders, focus on building a "great power" in the digital economy era, earnestly fulfill social responsibilities, practice sustainable development, and continuously contribute to comprehensively supporting Chinese path to modernization.

Wang Wenjing

Chairman & CEO
Yonyou Network
Technology Co., Ltd.



About Yonyou

Company Profile

Founded in 1988, Yonyou Network Technology Co., Ltd. (Stock Code: 600588) is a global leading provider of cloud services, software for enterprises and public organizations. Yonyou is continuously committed to using creativity and technology to promote business and social progress. It built and operated a world-leading business innovation platform, YonBIP, to help enterprises conduct digital and intelligent transformation and business innovation and has helped over 10 million enterprises.

From platform technology, application architecture to scenario service and ecosystem, YonBIP has achieved a comprehensive breakthrough and innovation, reaching the global leading level, allowing enterprise cloud services to be used on demand, making digital and intelligent value everywhere, making business innovation so convenient, bringing unique value to enterprises, industrial economy and society, and building the "great power" of digital and intelligent enterprise in the era of digital economy.

YonBIP focuses on the core fields of digital and intelligent platform and intelligent finance, digital human resources, smart supply chain, intelligent procurement, intelligent manufacturing, digital marketing, digital and intelligent research, digital projects, digital and intelligent assets, collaborative

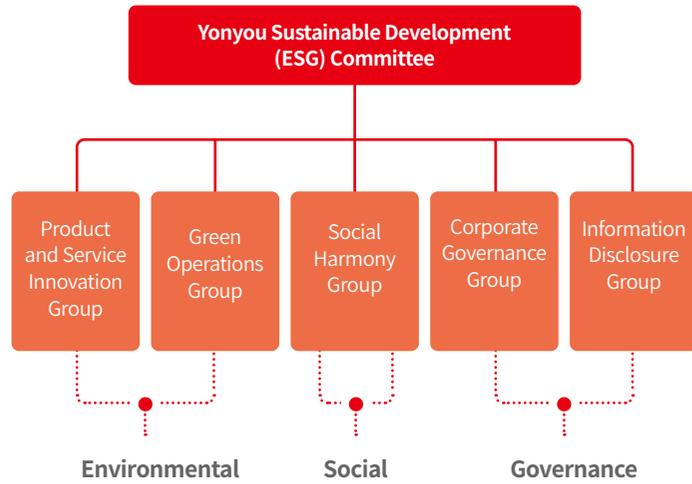
office and so on, providing customers with digital, intelligent, highly flexible, safe and reliable, platform-based, ecological, global and social enterprise cloud service products and solutions, and helping enterprises develop with high quality.

Yonyou adheres to the core values of "Friend of Users, Continuous Innovation, and Professional Struggle" and create value for customers. At present, Yonyou has more than 230 branches and more than 10,000 ecological partners in the world. Many leading enterprises in the industry have chosen YonBIP as the platform for digital and intelligent business innovation.

- **According to Gartner research**, Yonyou is the only Asia-Pacific manufacturer in the top 10 of the global ERP SaaS market, and the only Chinese enterprise SaaS manufacturer listed in the top 15 of the global Application Platform Software, and ranks among the top 10 in the global Financial Management System (FMS) market and Enterprise Asset Management (EAM) market.
- **According to IDC data**, Yonyou continues to lead the Chinese enterprise cloud service market, ranking first in the market share of 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.

Improving Environmental, Social and Governance Management Architecture

In 2022, Yonyou set up a Sustainable Development Committee under the Board of Governors of the Group, with the chairman and CEO of the Group and the Vice President of each key post as members, taking overall responsibility for the company's environment, society and governance (ESG) work. ESG management of the Group entered the 2.0 mode.



Yonyou Sustainable Development (ESG) Committee	
Product and Service Innovation Group	In the direction of carbon neutrality, we actively promoted product and service innovation, helped customers and ecological partners operate and manage green operations, implemented quantitative performance of product emission reduction, achieved resource and energy saving, and reduced the impact on the environment
Green Operations Group	We actively responded to the state's strategic planning and deployment requirements on carbon peak and carbon neutrality, formulated the company's carbon reduction strategy and implementation strategy, put the focus of green operation such as clean energy use, energy consumption management, deepening environmental concepts, etc. into practice in its own operation process, achieved low-carbon internal operation, and promoted the realization of the company's carbon neutrality strategic goal.
Social Harmony Group	We actively promoted the harmonious development between the company and stakeholders, including: paying attention to the rights, welfare, safety and health of employees, maintaining a compliance and fair investor relationship, safeguarding the rights and interests of users and customers, fulfilling supply chain responsibility management, monitoring healthy cooperation with suppliers and business partners, good communication with the community, participating in community development, responding to social needs through public welfare donations, and improving social performance to achieve corporate social value.
Corporate Governance Group	We optimized the rights and responsibilities of shareholders, the board of directors and senior management, strengthened internal control, avoided out-of-order business behavior, established a perfect anti-corruption punishment mechanism, standardized moral behavior standards, established and improved the modern management system, formed a scientific and rational corporate governance organizational structure, and ensured the sustainability of enterprise development.
Information Disclosure Group	We established and promoted the company's ESG information disclosure mechanism, undertook the collection and submission of the company's ESG information, the preparation and release of the ESG report, internal and external publicity, etc.; We actively communicated with stakeholders about the company's ESG strategy and related information to enhance the company's sustainable development influence.

Awards and Recognitions

Granted By	Awards
CCTV "Great Power Brand" project team	CCTV "Great Power Brand" honorary enterprise title
The 16th China Brand Festival	"Huapu" Award, the Top Annual Award on Branding Achievements for Chinese Enterprises Top 500 Chinese Brands
Forbes	2022 China's Top 100 Digital Economy
National Technical Committee for Standardization of Integrated Management of Industrialization and Urbanization	2022 National Advanced Group for Standardization of Integration of Industrialization and Urbanization
China Communications Society, Fujian Provincial Department of Industry and Information Technology, etc	Top 10 Industrial Internet platform brands in 2022
CCID Media and China Computer News	Best Enterprise Award for ICT Industry Ecological Service in 2022
CCID Consultant	2021-2022 Leading Enterprise of New Generation Information Technology 2021-2022 New Generation of Information Technology Innovation Products
China's Leading Science and Technology Industry Think Tank JAZZYEAR	2022 China's Digital Economy Leader 2022 China Digital Economy Product Innovation List
Digital Industry Innovation Research Center, etc	2022 China Digital Transformation and Innovation "Cloud Computing Innovative Products" Award
BiJiXia&InfoQ	2022 Top 50 Digital and Intelligent Innovation Of Chinese Enterprises
Global technology community InfoQ	APICloud Won the "Technology Development Driving Force Award"
Ebrun	Top 100 Industrial Internet Companies In 2022 2022 China Information Technology Application Innovation Excellent Product Award
Hap Academy, Soft6.com	2022 China Information Technology Application Innovation PaaS Platform Excellent Product Award 2022 Platform-type All Scene SaaS Excellent Product Award
Tsinghua University Technology Innovation Research Center, Lanling Software	2022 China MIKE Excellent Award (China's most innovative knowledge-based organization)

Social Responsibility Certifications

In 2022, Yonyou continued to improve the social responsibility management system and promote the social responsibility work to be organized, professional and systematic. During the year, the company completed the supervision and follow-up review of ISO14001 (environmental management system), ISO45001 (occupational health and safety management system), SA8000 (social responsibility standard) and other authoritative certification, and maintained the validity of relevant certificates.



SA8000 certification



ISO14001 certification



ISO45001 certification

Feature Story:

With the Spirit of Craftsmanship for 35 Years, YonBIP Enables Digitalization and Intellectualization Successful in More Enterprises and Public Organizations

From application software development to digital and intelligent cloud platform construction, at a new starting point, Yonyou is building and running the world's leading business innovation platform - Business Innovation Platform (BIP), with our own digital and intelligent technology with independent intellectual property, to serve the digital and intelligent transformation of enterprises. Yonyou takes the responsibility of the times and contribute to the high-quality development of the economy.

In the Eventful Years, the Original Intention Remains Unchanged

01

Thirty-five years ago, the Beijing New Technology Development Pilot Zone was established. At that time, "Yonyou Software" was born. The company insisted on the top-level concept of "making friends with users" in the past uncommon 30 years. In 1993, the certificate of Beijing's first independently developed high-tech enterprise was awarded to Yonyou. Since then, Yonyou has stepping onto the road of building a "great power" and comprehensively serving the country's economic and social development with digital and intelligent innovation.



On June 29, 1993, Yonyou obtained the high-tech enterprise certificate issued by Beijing Municipal Science&Technology Commission

Sailing Against the Current and Taking Responsibility

02

In 1996, the financial software of many domestic enterprises could not meet the demand, and the promotion of enterprise management informatization was urgently needed. However, due to the early start in foreign countries, enterprises could only purchase foreign software, and the funds were often tens of millions or even billions. Many large domestic enterprises felt the pressure from costs.

In August 1997, Yonyou launched the first enterprise management software ERP (Enterprise Resource Planning, ERP), which provides comprehensive application of software from finance to purchase, sales and inventory for enterprise management, and solves the need of "improving management, technology and level" in most enterprise reforms. In the following years, Yonyou has served the informatization construction of more than 2 million enterprises through ERP software. Not only has it established the first position of Yonyou's enterprise management software, but it has also deeply embedded the gene of scientific and technological innovation in Yonyou, and has become the unremitting power and source for Yonyou to reach the forefront of the world in the future.

Up to now, Yonyou has become the only Asia-Pacific manufacturer of the world's top 10 enterprise-level application software¹. Behind the transcript is Yonyou's spirit of craftsmanship and the solid support of struggle.

¹According to Gartner research

Focusing on Innovation and Working Hard

03

As the digital economy is becoming a key force in restructuring global factor resources, reshaping the global economic structure and changing the global competition pattern, enterprises are also facing more uncertainties of the times while experiencing the sustained and rapid development of digital technology. Taking digitalization and intellectualization as the professional path to achieve transformation and upgrading, and promoting "digital intelligent enterprises" to become a new paradigm for enterprise development in the digital economy era is the key to achieving high-quality development of enterprises.

In the era of constant change of events, Yonyou become clearer and focus on enterprise services, deeply integrate technology and applications, and form a new strategic layout with "Yonyou Cloud" as the core, and integrate cloud services and software development, officially entering the "Yonyou 3.0" era. In 2020, focusing on the three elements of "digitalization and intellectualization, localization and globalization", Yonyou launched a new business innovation platform - YonBIP, to boost the new "intelligent manufacturing" of Chinese enterprises.

用友BIP | 商业创新平台

数智商业
应用级基础设施
服务企业数智化, 让商业创新如此便捷

企业服务产业
共创平台
赋能产业, 生态共创、共生、共赢

与十万家生态伙伴共创 汇聚亿级社群个人 成就千万家数智企业

YonBIP build a variety of scenario-based applications, comprehensively promoting the digital and intelligent transformation of enterprises in terms of customer-oriented, ecological co-development, employee initiative, real-time perception, data-driven and intelligent operation, and is affectionately called "omnipotent Internet platform" by many users.

Based on the latest information technology, YonBIP empowers enterprises to carry out product and business innovation, organizational and management reform, build or reconstruct a platform-based and ecological multi-service body for enterprise development through digitalization and intellectualization, and help thousands of industries' business innovation "go deep and practical", and achieve digital and intelligent transformation. As of the first quarter of 2022, YonBIP has more than 2,300 enterprise service application models covering the core fields of finance, human resources, supply chain, manufacturing, marketing, research and development, and has built more than 300 enterprise core scenario applications of "process service+data service".

Starting with the End and Keeping Improving

04

As a leading enterprise of domestic cloud services and software, Yonyou has always adhered to independent innovation. From the leading financial software in China, to the ERP leading the Asia-Pacific, to the world's leading YonBIP, the pace of Yonyou innovation has never stopped.

In August 2022, after several years of large-scale research and development and continuous iteration, Yonyou officially released a landmark new product - YonBIP 3, which achieved comprehensive breakthroughs and innovations in platform technology, application architecture, scenario services and ecosystem.

- We pioneered the YMS (Yon Middleware Service) cloud middleware technology to achieve cross-cloud technology breakthroughs and multi-cloud adaptation capabilities.
- We initiated the continuous delivery system on and off the cloud, built a complete automation engineering system, achieved the agile delivery of the same set of code on and off the cloud, and accelerated enterprise business innovation.
- Leading multi-tenant and multi-data center technology.
- We independently developed a multi-dimensional data engine (integration of storage and calculation), realizing 100% independent, safe and controllable, and supporting rapid consolidation of "multi-criteria, multi-currency, primary and secondary tables" under the scale of hundreds of billions of data, and one-click tabulation.
- Safe and reliable domestication of information and innovation adaptation provides enterprises with reliable, independent and controllable digital and intelligent platform services.

全球领先的数智商业创新平台



By combining digitization, intellectualization and information innovation, YonBIP 3 realize the real domestic value substitution of Chinese enterprises and become a "great power" serving the digitization and intellectualization of enterprises.

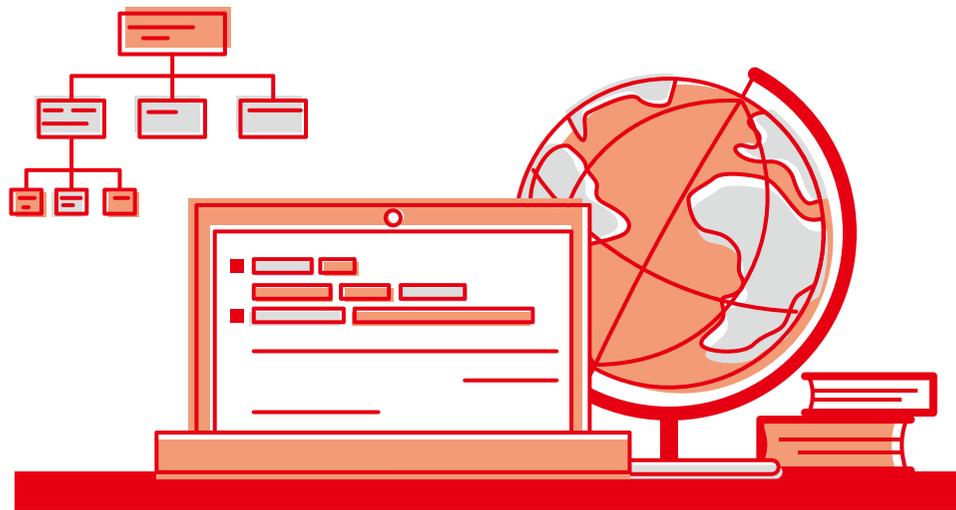
By the end of 2002, YonBIP 3 had 2,468 independent software vendors (ISV), 419 professional service partners, more than 3,400 certification consultants, 3,066 business partners, more than 72 strategic alliance partners, over 4,500 colleges and training partners, and 1.1 million registered developers.

Case Under the digitized and intelligent innovation, we created a "new engine" for high-quality development with YonBIP.

Hangzhou Steel Group was founded in 1957. After more than 60 years of development, it has become a large modern enterprise group with the pattern of "2+2" industry. The pattern of "2+2" industry refers to the strategic superiority industry with steel intellectual manufacturing and modern circulation, and the strategic emerging industry with energy conservation, environmental protection and digital technology.

Through YonBIP digital, intelligent base and key field services, Yonyou has provide Hangzhou Steel Group with data center, collaborative office portal entrance and collaborative office platform,

as well as key applications such as intelligent finance, human resources management, contract management, etc. to help the Group continuously improve its innovation ability, consolidate and deepen the application of the group systematic construction system, effectively docking group industrial data such as energy conservation, environmental protection, steel manufacturing, trade, digital economy and technological innovation service industry etc. "Speak with data and make decisions with data", YonBIP provided strong support for the group industrial budget, decision-making, investment, operation, supervision, etc.



After more than 30 years of hard work, the vision of "popularizing YonBIP and making digitization and intellectualization successful in more enterprises and public organizations" which throughout the development history of Yonyou has become a reality. Today, more than millions of enterprises and public organizations in China and Asia-Pacific choose Yonyou software and cloud services, more than 16,000 products and services have been entered, and nearly 80% of China's "Top 500" enterprises have become long-term strategic customers of Yonyou. Nearly 65% of state-owned enterprises choose Yonyou as their digital partner, and Yonyou dominates the market among large and medium-sized enterprise customers.

“ We will continue to use creativity and technology to promote business and social progress. Yonyou has been in its 35th year since its establishment in 1988 to 2022. It has witnessed the different stages of the application of information technology in Chinese enterprises, from lagging behind developed countries, to catching up, and now to leading. It is precisely because of the environment that we have the confidence to create a global leading digital intelligent platform to serve our customers, the industry and the society.



—Wang WenJing



Sound Governance

[01]

Yonyou continuously explores the best model of modern corporate governance, and establishes a sustainable development committee at the senior management level to coordinate the ESG management of the whole group, continues to deepen the compliance operation, improves the management mechanism and institutional system, and takes the construction of compliance culture to a new level. Yonyou further strengthens the data security and privacy protection, lays a solid foundation for ensuring information security, and the connotation of "friend of users" is more profound.

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Improving Corporate Governance

Yonyou persists in exploring the best practices of modern corporate governance, actively promotes the integration of Environment, Social and Governance (ESG) concepts into all aspects of corporate governance, and continuously optimizes corporate governance capabilities.

Institutional Construction

In 2022, in combination with new regulations and requirements, we revised and improved *the Articles of Association of Yonyou Network Technology Co., Ltd.*, *the Rules of Procedure of the Board of Directors of Yonyou Network Technology Co., Ltd.*, *the Rules of Procedure of the Board of Supervisors of Yonyou Network Technology Co., Ltd.*, *the Rules of Procedure of the General Meeting of Shareholders of Yonyou Network Technology Co., Ltd.*, *the Management System of Related Transactions of Yonyou Network Technology Co., Ltd.*, and *the External Investment Management System of Yonyou Network Technology Co., Ltd.* and so on which were reviewed and approved by the board of directors, to further build a solid institutional foundation to ensure the legal compliance of corporate governance and the steady development of business operations.

Quality and Efficiency of Execution of Duty

We stipulate the attendance rate of the board of directors in *the Articles of Association of Yonyou Network Technology Co., Ltd.*, and made it clear that the board members should attend the board of directors of the company and exercise their voting rights, except in the case that they are unable to attend the board of directors for non-business reasons. The board meeting should be held only when more than half of the directors are present. In 2022, all the directors of the company performed their duties diligently, and the attendance rate of the board meeting was 100%. *The Company's 2021 Annual Report and Summary*, *the Company's 2021 Sustainable Development (ESG) Report*, *the Company's 2022 Semi-annual Financial Report* and other proposals were reviewed and passed. The improvement of ESG management level was promoted at the top-level of corporate governance.

We attach great importance to the independence and professionalism of directors. The members of the special committees of the board of directors are all composed of directors, among which the independent directors of the audit committee, the nomination committee, and the remuneration and evaluation committee account for the majority and serve as the convener; The independent directors of the company independently perform their duties and are not affected by the major shareholders, actual controllers or other organizations or individuals having interest relation with the listed company. We actively explore the diversification path of the board of directors, scientifically and fully consider the term of office, responsibilities, qualifications and other factors of independent directors, and promote the selection and employment of female independent directors.

We are committed to continuously improving the performance and governance ability of the directors, supervisors and senior executives of the company, and organize the directors, supervisors and senior executives to participate in the training of the Shanghai Stock Exchange, the China Securities Regulatory Commission, the China Association of Listed Companies, the Beijing Association of Listed Companies, etc. every year, and provide full service for their participation in the training and daily performance, and actively feed back their opinions and suggestions during the performance of their duties to the company to ensure compliance performance. In 2022, the board of directors, supervisors and senior executives of the company participated in eight training sessions with the theme of "listed companies do a good job in ESG" and "ESG helps enterprises develop with high quality", and the ESG management concept and ability were effectively improved.

Information Disclosure

We always adhere to the compliance, transparency and professionalism of information disclosure, constantly improve the timeliness and quality of information disclosure through multiple channels, and ensure that investors timely, complete, accurate and equal access to company-related information. In 2022, we completed the preparation of 200 temporary announcements and the disclosure of relevant documents, such as the announcement of share repurchase, the announcement of equity incentive, the announcement of the use and management of raised funds, through the website of *the Shanghai Stock Exchange*, *the Shanghai Securities News*, *the Securities Daily*, *the China Securities News*, *the Securities Times* and other legal information disclosure media, without receiving inquiries from the CSRC and the Exchange.

We attach great importance to the protection of the rights and interests of minority shareholders. During the year, we answered 273 investor hotline calls, answered 51 questions on the SSE E interactive platform, and responded to 107 investor emails. At the same time, we established a "weekly report on investors' concerns" system to facilitate the company's management to understand the feelings and thoughts of minority shareholders in a timely manner. In 2022, we made investors know the latest development of the company in a timely manner by holding an online investor roadshow and participating in the performance briefing organized by the Shanghai Stock Exchange Roadshow Center. In addition, we actively organized offline company research and reverse roadshows to promote investors to fully and intuitively understand the company's new products and business progress.

273

Hotline calls of investors answered



51

Questions on the SSE E interactive platform responded



107

Emails of investor responded



In August 2022, we held the annual business innovation annual meeting in Guangzhou - a special exchange conference for investors. We invited the company's core investors and mainstream securities companies to participate in various sub-forums, and organized a special exchange conference for investors, and facilitated stakeholders to understand the highlights of the company's new products and business performance, which was widely praised.

Adhering to Compliance Operation

Yonyou strictly abides by the baseline of compliance, insists on fully integrating the business ethics concept into daily operation, and is committed to continuously improving the responsibilities of each responsibility entity of compliance management to ensure the long-term stable and healthy development of the company.

Firmly Establishing the Baseline of Compliance

We focus on the current high-quality compliance management of enterprises, establish and improve the compliance management mechanism, constantly improve the compliance operation system, deeply promote audit supervision and integrity education, cultivate the compliance culture, and the compliance concept is deeply rooted among the people.

Mechanism Support

We establish a business ethics management mechanism in which the directors and senior management are directly responsible and the functional departments have a clear division of labor. The Company's Audit and Supervision Department is responsible for internal audit, reporting and investigation and handling of violations, and reporting the audit work to the Board of Directors and the Audit Committee. The Board of Directors of the Company appoints a member (director in charge) to take charge of the Company's internal audit and supervision work on behalf of the Board of Directors. The company appoints a senior manager to concurrently serve as the general manager of the Group Audit and Supervision Department, who is responsible for the specific internal audit and supervision work under the leadership of the director in charge. The Human Resources Department is responsible for staff compliance training and education.



System Optimization

We establish and continuously improve the "Three in One" policy consisting of employee behavior management, anti-fraud work management, and reporting and handling management to lay a solid institutional foundation for the stable development of the company. In March 2022, we completed the revision and optimization of several key compliance management systems, such as *the Supervision System of Yonyou Network Technology Co., Ltd.*, *the Internal Audit System of Yonyou Network Technology Co., Ltd.*, and *the Regulations of Yonyou Network Technology Co., Ltd. on Punishment of Employees' Violations*, and officially released them. The quality and efficiency of the company's compliance operation, employee behavior management, and audit supervision were further improved. At the same time, we paid attention to the management of subsidiaries, promoted the formulation and release of audit supervision and punishment policy of 12 subsidiaries in the year, and the compliance operation management of subsidiaries reached a new level.

Policy	Main Content	Release Date	Scope of Application	Certification/ Approval Authority
Supervision System of Yonyou Network Technology Co., Ltd	The responsibilities and authorities of the supervisory organization, supervisory personnel and the supervision department of the Group, the supervision work procedures, the punishment rules, the supervision opinions and the implementation of the punishment decisions.	March 4, 2022	All staff	Board of directors
Internal Audit System of Yonyou Network Technology Co., Ltd	The responsibilities and authorities of the internal audit institutions, auditors and the Group Audit Department, the audited objects and business scope, the internal audit procedures, penalty rules, the implementation of audit recommendations and punishment decisions.	March 4, 2022	All staff	Board of directors
Regulations of Yonyou Network Technology Co., Ltd. on Punishment of Employees' Violations	The types and application of punishment for violations, the person responsible for violations, and the punishment and decision-making procedures of the person responsible for violations.	March 7, 2022	All staff	Board of directors
Yonyou Group Reporting Management Regulations	Ensure that the informant is protected in the process of assisting the investigation. The staff who accept the report or participate in the report investigation shall strictly abide by the confidentiality discipline, and shall not disclose or report about the informant's identity information to any department or individual without authorization. Any act of discrimination or retaliation against the informant is strictly prohibited.	July 16, 2021	All staff	Director in charge
Regulations on the Management of Anti-fraud Practice of Yonyou Group	The concept and form of fraud, the attribution of anti-fraud responsibilities, the prevention and control of fraud, the reporting, investigation and statement of fraud cases, the permanent organization and functions of anti-fraud work, the communication channel of anti-fraud information, the guidance and supervision of anti-fraud work, and the remedial measures and punishment of fraud.	December 21, 2016	All staff	Director in charge
Yonyou Employee Standard of Commercial Conduct	Formulate and standardize the relevant contents of the basic standard of conduct for employees to ensure that employees act correctly in business conduct. Specify the laws and regulations, social ethics and company rules and regulations to be observed, prohibited behaviors related to employees' interests, avoidance of conflicts of interest, job avoidance, etc. The principles and ways of reporting, the process of accepting and handling, and the punishment regulation for violations.	July 24, 2019	All staff	Board of directors

**Regulations of Yonyou Network Technology Co., Ltd. on Punishment of Employees' Violations
(Excerpt from anti-corruption content)**

Corruption refers to the behavior of the company's employees or a third party to obtain improper or illegal benefits by cheating and other illegal means.

Practices of corruption include but are not limited to the following:

01. Expenditures for improper purposes, such as bribery;
02. Solicit and accept property, kickbacks or other improper interests (borrowing cars, loans, houses or other properties of high value from suppliers or partners are considered as accepting bribes);
03. False performance: including but not limited to false report of business income, profit, number of paying customers and other performance data related to the assessment;
04. Conceal or delete important information that should be disclosed to the public;
05. Forge or alter seals, forge signatures or similar illegal acts;
06. Forge or alter accounting records or vouchers;
07. Evasion of taxes;
08. Disclose and transfer the trading opportunities that can make the organization profitable to others;
09. Possession and use of company property in violation of laws and regulations, encroachment, misappropriation and theft of company property;
10. Make the company pay money or generate input for false transactions;
11. Disclose the company's business or technical secrets;
12. Other fraudulent behaviors that seek personal or organizational improper interests or damage the interests of the company.



Audit Supervision

In 2022, we made solid progress in audit supervision, carrying out 48 audit supervision projects including departure audit, performance audit, special audit, and internal control evaluation during the year, and corrected the problems found in the audit and supervision process, so as to ensure the long-term and stable development of the company.

Departure Audit	<ul style="list-style-type: none"> Investigate the completion of the audit object's business performance, whether there are major decision-making mistakes and control defects in management, and whether there are fraud matters in the pending matters within the scope of responsibility. Within the year, 27 departure audit projects were completed.
Performance Audit	<ul style="list-style-type: none"> Audit the authenticity of the audited entity's performance. 10 performance audit projects were completed during the year.
Special Audit	<ul style="list-style-type: none"> Carry out comprehensive evaluation of the operation and management of audited entities. 3 operations management audits were completed within the year.
Internal Control Evaluation	<ul style="list-style-type: none"> Carry out internal control evaluation of subsidiary companies based on regulatory requirements and actual conditions of their own operations. A total of 8 internal control evaluation projects were implemented during the year.

We strive to strengthen the construction of the audit talent system, build a learning organization, and strengthen auditors' learning of professional skills, management skills and the company's core values; we systematically sort out and optimize the professional development model of auditors, carry out special training in audit thinking explanation, project exchanges, and company business, train and exercise auditors' project management capabilities and audit thinking relying on key audit project. The audit talent team and capabilities were improved with remarkable results: the implementation efficiency of our departure audit and performance audit projects increased by 74% year-on-year, the release efficiency of departure audit and performance audit reports increased by 108% year-on-year, and the number of the completion of departure audit and performance audit projects increased by 17% year-on-year.



Employee Behavior Management and Incurruptibility Education



Yonyou Network Technology Co., Ltd. Incurruptibility Culture Promotion Page

We continue to build a long-term mechanism of "Dare not corrupt, can't corrupt, and don't want to corrupt", deepen the handling of both symptoms and root causes, and build a good transparent business culture and ecology. In 2022, we strengthened the implementation of supervision work, carried out 10 supervision projects, strengthened the audit supervision and punishment of violations in high-risk business links, and punished and notified 17 employees with serious violations; We accepted and completed the handling of 10 integrity reports in accordance with *the Supervision System of Yonyou Network Technology Co., Ltd.*, effectively curbed the occurrence of violations of employees, and further improved the company's compliance culture construction level. By the end of 2022, our audit and supervision coverage of the Group's own high-risk business has reached 100%.

We accelerate the promotion of integrity education and integrity culture promotion methods iterative updates, the company's official website launched the integrity culture promotion page within the year, to convey the company's management to the integrity issue of the "zero tolerance" attitude and voice, and established the company's clean operation image of going straight, going far, and operating in the sunshine.

In 2022, we continued to carry out the study and examination of *the Code of Conduct for Yonyou Employees* covering all regular employees, promoted the compliance training of employees' business behavior through the method of "online learning + offline training", and implemented the training and assessment. The pass rate of the examination reached 93.9%. We compiled the publicity and implementation materials of incurruptibility culture for subsidiary companies and new employees, organized and carried out three times of publicity of incurruptibility culture for all employees, and comprehensively promoted the business compliance concept of employees to be deeply rooted in the hearts of the people. In addition, we actively publicized the concept of incurruptibility to suppliers and partners. During the year, we carried out four targeted publicity activities on incurruptibility culture. At the same time, we explicitly required all sides to abide to abide by business ethics in emails to all suppliers and partners, emphasized that the company holds a "zero tolerance" attitude towards bribery and corruption, and worked with suppliers and partners to create a transparent business environment.

Practicing Responsible Procurement

We continue to strengthen the responsibility construction of the procurement system, and under the framework of *the Yonyou Procurement Management System*, we have developed a secondary procurement system for the three major business types of conventional procurement (including IT equipment procurement), outsourcing procurement and third-party commodity integration procurement, further refining the procurement operation specifications, and improving the responsible procurement management mechanism.

We fully implement the SA8000 social responsibility management system, and take the *Sunshine Cooperation Commitment* and *Supplier Social Responsibility Commitment* as the annexes to the *Supplier Qualification Status Table*, requiring all suppliers to sign and promise to effectively cooperate with the comprehensive implementation of the company's social responsibility management system. In 2022, we conducted a social responsibility audit on 24 suppliers involved in key project cooperation through on-site inspection, covering the formulation of anti-corruption policies and the construction of social responsibility management system. By the end of 2022, our *Sunshine Cooperation Commitment* and *Supplier Social Responsibility Commitment* signed have covered 100% of the company's suppliers, and required all suppliers cooperating with the company to establish a sound anti-corruption and social responsibility management policy system.

During the year, we adhered to the concept of "Yonyou should be the model user of Yonyou products", relying on our own advantages of cloud service technology, promoted the use of the professional procurement platform "youGo" throughout the group, integrated the procurement business into an efficient cloud platform for implementation, and realized the transparent online operation of the procurement business throughout the whole process. The company could supervise every procurement activity in the whole process and all links, and the business implementation and approval could be fully open and traceable, realizing the visibility, control and check of purchase business. At the same time, the online procurement system of youGo, which has comprehensive and integrated advantages, significantly saved the labor and time costs of offline operation and approval. Compared with multi-platform operation², the procurement approval time is reduced by an average of 3 working days, the efficiency is increased by 10%, and the procurement cost is reduced by 2.7%.

²Take outsourcing business as an example

100 %

Coverage of signed company supplier



3

Working days reduction of procurement approval time



10 %

Growth of efficiency



2.7 %

Reduction of procurement cost

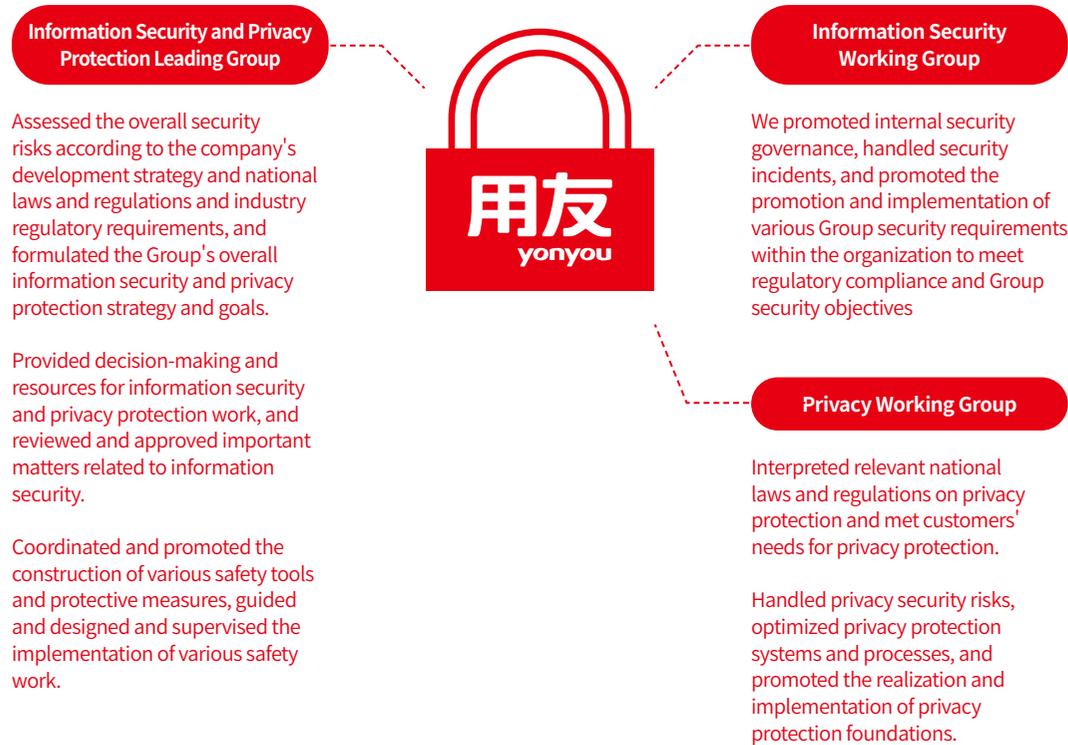


Strengthening Data Security and Privacy Protection

Data security and privacy protection are the core tasks of Yonyou as a software and information service enterprise. Yonyou strictly complies with laws and regulations such as *the Network Security Law of the People's Republic of China*, *the Data Security Law of the People's Republic of China* (hereinafter referred to as *the Data Security Law*), *the Personal Information Protection Law of the People's Republic of China* (hereinafter referred to as *the Personal Information Protection Law*), and takes network security, data security and privacy protection as the baseline of the company's operation, and continues to improve the management mechanism. In 2022, we focused on a series of newly issued national information security and privacy protection laws and regulations and regulatory provisions, and carried out key work in regulation and system construction, security capacity construction, internal security governance, and security awareness deepening, to ensure the effective implementation of the company's various security strategies and objectives, and improve the company's overall information and privacy protection level.

Optimizing Mechanism and System

In 2022, we comprehensively upgraded the security organizational structure, upgraded the Group Information Security Management Committee to the Group Information Security and Privacy Protection Committee, fulfilled the group's internal security management and supervision responsibilities, and ensured that national laws and regulations related to information security and privacy protection and industry regulatory requirements were fully implemented. The Group Information Security and Privacy Protection Committee consists of the Information Security and Privacy Protection Leading Group, the Information Security Working Group and the Privacy Protection Working Group. Among them, the Information Security and Privacy Protection Leading Group is headed by the Senior Vice President in charge of security, the members include the main leaders in charge of product research and development, human resources, legal affairs, IT, agency management and various business groups and subsidiaries within the Group.



In 2022, we prepared and revised several data security and privacy protection systems covering account passwords, data, privacy, content, emergency response, etc. in accordance with the latest laws and regulations and industry regulatory requirements such as *the Administrative Measures of Data Security in the Industry and Information Technology (Trial)*, *the Rules for Implementation of Personal Information Protection Certification*, *the Rules for Implementation of Data Security Management Certification*, and *the Measures for the Evaluation of Data Situation Security*, effectively ensure that the company's information security work is comprehensive, orderly and efficient.

Policy	Main Content	Release Date (status)	Scope of Application
Product Safety and Emergency Response Specification	Establish a product safety and emergency response team, clarify the specification requirements of data protection measures such as vulnerability collection, evaluation, repair, disclosure, and incorporate them into the management of the whole product lifecycle.	April 2022 (officially released)	Group wide
Internet Export Security Management Rules	Clarify the division of responsibilities between the network area and the Internet export management department, and clarify the processes and requirements for opening Internet exports.	April 2022 (tentative to official release)	Group wide
Account and Password Security Management Rules	Conduct classified management on accounts and standardize password setting requirements for various accounts.	July 2022 (revised and issued)	Group wide
Data Security Management System (Trial)	Implement <i>the Data Security Law</i> and clarify the requirements of data ownership, data classification and data lifecycle management.	August 2022 (revised and issued)	Group wide
Personal Information Protection Management Specification	Implement <i>the Personal Information Protection Law</i> , and stipulate the company's requirements and privacy provisions in the collection, storage, sharing, use and destruction of personal information.	August 2022 (officially released)	Group wide
Content Security Management Specification	Carry out security control on the platform providing registration and content publishing, and fulfill the main responsibilities.	September 2022 (officially released)	Group wide
Mobile Application Security Management Specification	Standardize the security management requirements and procedures for mobile App online	October 2022 (officially released)	Group wide

Building a Secure System

We steadily promote the construction of information security capabilities, improve the information security system, and take multiple measures to improve the information security and data protection capabilities; we do a good job in the annual inspection and maintenance of information security certification to ensure that the company's information security level is always at a high level. In 2022, we joined the Data Security Professional Committee of the China Computer Industry Association, and also became a member of the "Zhuoxin Big Data Program" of the China Academy of Information and Communications Technology.

Capacity Building

During the year, we continued to improve the company's information security assurance capability through various ways including system upgrading, platform construction, technical cooperation, security audit, etc.

System Upgrading	<p>R&D Process Management: We issued R&D Management System 5.0, which integrates safety and credible requirements on the original basis, and defined specific safety activities, key roles and outputs. At the same time, we conducted inspections through decision review and technical review points to ensure the implementation effect of safety activities.</p>
	<p>Product Security: We established the PSIRT organization of the Group, established a complete security issue handling and grading process, patch release process, vulnerability response and repair SLA and standardized vulnerability disclosure standards.</p>
Platform Construction	<p>Situation-aware Platform: The construction of dual centers on and off the cloud, with a security probe coverage rate of more than 99%, realized dynamic perception of security issues, and constructed an infrastructure network security inspection and early warning system</p>
	<p>Yonyou Security Center: Covered YonBIP, NCC, U8, Yonyou Government Affairs, Changjietong, U9C and other product lines, gathered the historical information security vulnerabilities of each product line, uniformly released security patches, and focused on the group's security release channels to create a unified outlet for the group's security information release, so as to better help customers improve the security of operating products.</p>
	<p>Network Space Exposure Monitoring Platform: The group-level Internet service asset exposure risk monitoring platform was officially operational, which can obtain the security risk warning of the group's external Internet services and handle it at any time. At the same time, in accordance with <i>the Internet export security Management Rules</i>, it follows the principle of non-opening if not necessary, and strictly controls the relevant violations in the management of network security exports.</p>
	<p>Content Security Audit Platform: Strictly implemented the <i>Group Content Security Management Specification</i>, vigorously carried out content security governance within the Group, and all systems involving user registration and content release were forced to access the content security audit platform. At the same time, the auditors of each business department conducted manual verification to ensure the compliance operation of the Group's business.</p>
Technical Cooperation	<p>Expanded technical cooperation in security ecology, carried out in-depth communication and cooperation with multiple data security technology companies within the year, and comprehensively strengthened the ability of threat intelligence collection, vulnerability scanning, risk assessment, code audit, etc.</p>
Security Audit	<p>Deeply promoted the code security audit of key products and business lines. By the end of 2022, the Group had scanned 17 billion lines of code. Through the research and development of the production line security control system, information security vulnerabilities were found and handled in a timely manner, and the security of released products was systematically improved.</p>

For key products such as YonBIP, we have prepared, continuously revised and improved the emergency plan for information security incidents, formulated the classification, response process, early warning and prevention mechanism, emergency response measures, etc. of information security incidents, and ensured that active and passive response measures are deployed in place and targeted. In 2022, we participated in the attack and defense drills organized by the Ministry of Industry and Information Technology of the People's Republic of China (hereinafter referred to as the MIIT) and other national institutions for many times, and won the title of "Excellent Defense Practice Enterprise" in the "Casting network 2022" industrial Internet security real network drill of the MIIT.

YonBIP Network and Information Security Emergency Plan (Excerpt)

Emergency organization structure (part):

the leading group is composed of persons in charge of all fields, responsible for the organization, management, coordination and implementation of YonBIP system network and information security work, and responsible for the evaluation of major events and emergency response command; the security expert group is composed of security architects or security managers in various fields, providing decision-making suggestions and technical guidance for emergency response, tracking the follow-up problem repairing to the closed loop, and participating in the emergency response of network and information security incidents when necessary.

Network and information security incident response process (part, taking Level I incidents as an example):

for data leakage security incidents, the leading group shall report in time according to the relevant provisions of *the National Network Security Incident Emergency Plan*. The report contents include but are not limited to: the overall situation of the type, quantity, content and nature of the personal information subject, the possible impact of the incident, and the disposal measures that have been taken or will be taken, contact information of relevant personnel for incident handling, etc.



According to the classification of security events, formulate the processing flow of network interruption, hacker attack, large-scale virus (including malware) attack, database system failure, and equipment hardware failure.

Emergency training and drill (part): hold emergency plan training at least once a year for relevant personnel of information security system; organize emergency action drills at least once a year to improve the emergency response capacity.

Certification System

In 2022, we successfully passed the annual inspection of security certification of classified protection, ISO2700 series and trusted cloud series. By the end of 2022, the proportion of self-owned businesses certified by ISO27001, ISO27701, ISO27017, ISO27018, C-Star, DCMM (Data Management Capability Maturity Assessment Model), classified protection, trusted cloud service, trusted cloud security, trusted R&D operation, EAL3+, etc. reached 100%. The company's information security management level has reached the top level.



可信安全成熟度

Passed the "Trusted R & D Operation Security Capacity Maturity Assessment (Enhanced Level) Certification" of the China Academy of Information and Communications Technology, and the overall pass rate reached 99.5%.



Passed the China Electronic Information Industry Federation DCMM (Data Management Competency Maturity Assessment) Party B Level III certification, marking the Group's data products and data service capabilities as the industry leader.

Strengthen Privacy Protection

In 2022, we formulated and issued the *Yonyou Group Personal Information Protection Management Specification* applicable to all business groups of the Group, all cloud and software subsidiaries, all regional institutions and customer business departments, which made clear provisions and commitments on the collection, transmission, storage and use of personal information, and further clarified the personal information subject's³ right to delete, query and change, copy and transfer, and revoke the authorization of personal information, to ensure the compliance and legality of the Group's personal information and data processing, prevent the disclosure or illegal use of personal information, and effectively protect the interests of customers.

Yonyou Group Personal Information Protection Management Specification (Excerpt)

Collection of Personal Information

Any organization, department or personnel shall not collect personal information in the form of fraud, deception or misleading, or obtain personal information from illegal channels, or collect personal information that is explicitly prohibited by laws and regulations and relevant provisions of the industry authorities.

Minimum necessity requirements: the type of personal information collected should be directly related to the business function of the product or service, and personal information should not be collected beyond the scope; Personal information should be collected in the way that has the least impact on personal interests.

Storage Management of Personal Information

Unless otherwise specified by laws and administrative regulations, the storage period of personal information set shall be the shortest time necessary for processing purposes, and meet the requirements of national laws and regulations and relevant provisions of the industry authorities.

If the service or operation of the product is terminated, the user shall be notified at least 30 days in advance, and the user's personal information shall be deleted or anonymized after the service or operation is terminated.



Sharing and Transfer of Personal Information

The sharing and transfer of personal information is prohibited. If there is a real and objective need to share and transfer personal information (such as legal requirements), the initiating department of personal information sharing and transfer shall fill in the application and submit it to the company's Network Security Department for approval. At the same time, the initiating department shall sign a data sharing and transfer agreement with the data receiver to clarify the relevant responsibilities and obligations. The sharing and transfer agreement shall be reviewed by the Group Network Security Department and the Group Legal Department.

Entrusted Processing of Personal Information

If it is necessary to entrust a third-party organization to process the personal information collected by the company, the entrustment should not exceed the scope of the authorization of the personal information subject. The relevant business department should jointly evaluate the entrusted party with the Group Network Security Department to ensure that it has sufficient personal information protection level, including but not limited to: security qualification, the system, ability and practice of personal information protection specification/data security specification.

We regularly audit the personal information management of the main responsible department for personal information protection, including but not limited to the implementation of various security specifications and privacy agreements, the effectiveness of security technology, relevant approval and time processing records, etc. We formulated and signed the *Supplier Information Security Agreement* with suppliers to clarify the information security requirements and responsibilities of suppliers in terms of products, services, systems, etc. In 2022, we conducted a review of the implementation of the *Supplier Information Security Agreement* on 10 suppliers, and the review qualification rate reached 100%.

During the year, we added personal information and data protection functions such as user login confirmation, dynamic update of privacy policy, and pop-up window of privacy policy to the company's products. At the same time, we further strengthened the management of group applications (Apps), and carried out special governance of privacy security for the first-level departments, business groups, and branch offices within the group. The rectification rate of privacy security vulnerabilities reached 97.6%, and the privacy security risk of the group's core business App was significantly reduced. In 2022, there were no incidents reported due to violations in the country's high-intensity supervision work by regulators at all levels.

Improving Employee Training

We regularly carry out information security training covering all employees, focusing on employees with technical lines such as research and development, testing, operation and maintenance, and operation, and provide employees with training covering information security defense, high-frequency fore-end vulnerabilities, privacy information security protection, threat intelligence active defense and other contents in a combination of online and offline. In 2022, we further expanded the training coverage, including fresh graduates of 2022, and comprehensively strengthened the information security awareness of new employees through various types and multi-dimensional security awareness training. By the end of 2022, we had conducted 12 training sessions on information security, involving 23,000 employees. In addition, we conducted security training for third-party personnel for suppliers, with 500 participants during the year.

By the end of 2022

12



Trainings on information security

23,000



Annual participants of employees

In addition, we conducted security training for third-party personnel for suppliers.

500



Annual training participants of third-party personnel

³Natural person identified or associated with personal information

Green Practice

Yonyou fully supports the "3060" goal of carbon peak and carbon neutrality, constantly improves the top-level design of product strategy and development, relies on the advantages of technology and products to enable the green transformation of thousands of industries, insists on promoting the implementation of clean energy use, scientifically implements energy consumption management and emissions management, practices green operation, and works with partners to minimize the disturbance of the operation process to the environment, and jointly safeguard the green waters and mountains.

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Providing Green and Sustainable Solutions

Yonyou is committed to using its advantageous products, services and technologies to help customers achieve environmental sustainability, and works with customers and partners to jointly address the challenges of environment and climate change.

Optimizing Product strategy and Development

We have actively responded to policies including *the Opinions of the CPC Central Committee and the State Council on the Complete and Accurate Implementation of the New Development Concept to Do a Good Job of Carbon Peak and Carbon Neutrality, the Action Plan for Carbon Peak before 2030, and the "Fourteenth Five-Year Plan" for Industrial Green Development*, integrating the strategic goal of "Carbon Peak and Carbon Neutrality" with our own development, and actively participating in the response to global climate change with the support of our own advantageous technologies and products.

In 2022, we set up the Sustainable Development (ESG) Committee under the board of governor to identify opportunities related to clean technologies, set strategic plans and goals for clean technology development, promote innovation in clean technology-related products and services, and help customers and ecological partners reduce their carbon footprint and achieve environmentally friendly operations. At the same time, we incorporated "platform + carbon peak and carbon neutrality" and other clean technology innovation and application related plans into the company's core long-term strategy "Development BIP", and strategically promoted products and services with cloud technology and industrial Internet as the core to provide more green development solutions for customers.

During the year, we continued to increase R&D investment, introduced high-end R&D talents, and enhanced the core application ability of clean technology-related products, platforms, and services. The R&D investment reached 2.92997 billion yuan, up 24.5% year on year.

⁴In order to help enterprises save energy and reduce consumption and help achieve the goal of "carbon peak and carbon neutrality", Yonyou integrates intelligent factory system, scrap grading system and post equipment service system to create a "Jingzhi Industry Internet + carbon peak and carbon neutrality" solution, helps enterprises reduce energy consumption, resources consumption and emissions, and achieve green manufacturing.

Deepening Product Technology Empowerment

Technology empowers "carbon peak and carbon neutrality" goals and innovation drives development. As the world's leading enterprise cloud service and software service provider, we continue to strengthen the independent scientific and technological innovation capability of Yonyou Jingzhi Industrial Internet Platform (hereinafter referred to as "Yonyou Jingzhi") by building and operating the world's leading business innovation platform - YonBIP, and jointly with the leading enterprises in thousands of industries to explore new paths, create new synergy and build a new ecosystem for the "5G+industrial Internet", promote the deep integration of "5G+industrial Internet" technology and entity industry, and help achieving the goal of "carbon peak and carbon neutrality". By the end of 2022, Yonyou Jingzhi has been deployed and launched in 33 provinces, cities and regions across the country, with 1.42 million sets of industrial equipment connected and 22,000 industrial applications, providing more than 286 industrial enterprises with lower cost and higher value services.

Empowering Circular Economy

The "Fourteenth Five-Year Plan" for the Development of Circular Economy points out that vigorously developing circular economy is of great significance to safeguard national resource security, promote the realization of carbon peak and carbon neutrality, and promote the construction of ecological civilization. Yonyou Jingzhi integrates 5G, Internet of Things, artificial intelligence and other new generation information technologies, integrated full connection intelligent factory solutions, scrap⁵ intelligent identification solutions, etc., to create a solution suite of "Jingzhi Industry Internet + carbon peak and carbon neutrality", and achieve energy consumption, emissions and consumption reduction by digital and intelligent means.

The traditional inspection and grading of scrap steel mainly rely on visual inspection, caliper measurement and other means. There are many defects such as large human factors, cumbersome procedures, many objections to grading quality, low efficiency and low accuracy. Yonyou has built a "5G + industrial Internet + scrap intelligent recognition solution" by combining advanced technologies such as image acquisition, automatic photography, in-depth learning, data interface, 5G communication, etc. It uses the most advanced in-depth learning algorithm based on convolutional neural network to build a scrap intelligent recognition model by training a large number of scrap images, so as to achieve remote monitoring of scrap inspection, intelligent grading of scrap and intelligent determination of the amount of impurities deducted.

By the end of 2022, Yonyou's scrap intelligent identification solution has applied for 9 patents and software copyrights, and has full independent intellectual property rights. It has been widely used in more than 10 iron and steel enterprises, such as Ansteel Group, Jiyuan Iron and Steel, Minyuan Iron and Steel, Xinyang Iron and Steel, Jingye Iron and Steel, and Xinhua Metallurgy, to help iron and steel enterprises significantly improve the scrap recycling efficiency and help the steel industry achieve the "carbon peak and carbon neutrality" goal.

⁵Scrap is a green resource and the only resource that can replace iron ore for steelmaking. It has high environmental protection value for the steel industry.

Case

"Yonyou Jingzhi + carbon peak and carbon neutrality" solution helped the steel industry achieve the goal of "carbon peak and carbon neutrality"

· Minyuan Iron and Steel:

The "5G + ultra-low emission fugitive emission management, control and governance integrated platform" jointly built by Yonyou and Minyuan Iron and Steel met the environmental monitoring, pollution prevention and scientific decision-making needs of fugitive dust under the new situation, and helped Minyuan Iron and Steel to complete the announcement of the ultra-low emission transformation and evaluation and monitoring progress of iron and steel enterprises of the China Association of Industry, it was also selected as the fifth batch of "green factories" by the Ministry of Industry and Information Technology of China.

· Jiyuan Iron and Steel:

Based on the solution of "Jingzhi industry Internet + carbon peak and carbon neutrality", Jiyuan Iron and Steel has achieved an accuracy rate of more than 95%, a quantity of nearly 500,000 tons of scrap, and an annual cost savings of tens of millions of yuan.

Empowering Energy-saving Products

The service extension is one of the new modes of the industrial internet, and it is also a key "booster" to help the manufacturing industry explore and formulate green product standards and service standards, guide green production, optimize energy consumption management of high-energy-consuming equipment, and realize energy conservation and consumption reduction in the manufacturing process. The "post-equipment service system" is a specific product of Yonyou Jingzhi Industrial Internet service extension. The system takes intelligent equipment as the core and comprehensively links equipment manufacturers, equipment service providers and equipment owners based on the Internet. It provides services for the whole lifecycle of the equipment. Through intelligent Internet of Things, remote monitoring, intelligent operation and maintenance, intelligent diagnosis and other tools, the equipment operation conditions are monitored in real time to ensure that the equipment always runs in the optimal energy consumption state and achieve resource conservation.

Case Yonyou Jingzhi helped professional equipment manufacturers transform to zero-carbon green energy service providers

Shuangliang Group is a leading domestic enterprise in the field of energy-saving and environmental protection equipment. It has core competitiveness in the high-end manufacturing field of "energy saving, water saving and environmental protection", and has ranked among the top 500 Chinese enterprises for many years. Based on Yonyou's Jingzhi industrial internet platform, Shuangliang Group built an "intelligent operation and maintenance platform for energy equipment", reconstructed the products and industrial forms of post-equipment service and operation and maintenance service, and provided equipment-centered full-life cycle services such as installation services, Internet of Things services, fault diagnosis and forecasting, and after-sales services based on public cloud service models, realizing intelligent monitoring, intelligent after-sales, intelligent energy and other functions, helping a customer's air-cooling system to significantly improve energy efficiency, and saving 1.38 million yuan in annual electricity bills.

In addition to Shuangliang Group, at present, the post-equipment service system has been promoted and applied in more than 50 enterprises such as Shuangliang, Longgong and Cangnan Appearance, helping enterprises in the fields of clean energy, combined energy heating and other fields to build B2B2C heating service platform, and achieving intelligent energy operation and maintenance of more than 330,000 heating users and more than 400 million square meters of planned heating area.

Empowering Energy-saving Manufacturing

The goal of "carbon peak and carbon neutrality" points out the path of green development for enterprise development. How to effectively save energy, reduce consumption and emission in the production process and realize economical manufacturing has become a "necessary question" related to the survival and development of every manufacturing enterprise. Yonyou builds a smart factory system based on Jingzhi Industrial Internet Platform, helps enterprises build smart factories according to their own pain points, realizes intelligent manufacturing in a new mode, helps enterprises realize production structure optimization and production benefit promotion through digital and intelligent means, and promotes energy consumption reduction, resource reduction and emission reduction, thus realizing economical manufacturing.

Yonyou smart factory system enables enterprises to make energy-saving manufacturing

Production Equipment



Replace the old high-energy-consuming equipment in the factory with green, innovative and energy-saving intelligent equipment, reduce carbon emissions from the source, and realize the green upgrading and intelligent transformation of the factory.

Production Management



Based on the intelligent algorithm, the "zero" idle of the entire production process is realized through reasonable scheduling, ensuring that each "drop" of energy is used in production, and reducing energy loss caused by equipment shutdown, material transportation, etc.

Through big data analysis and intelligent decision-making, continuously optimize the production structure and management mode, improve energy utilization, and reduce comprehensive energy consumption of smart factories.

Case Yonyou intelligent factory system helped multiple high-energy-consuming industries to achieve energy saving and consumption reduction.

Welding Material Industry: In Sichuan Daxiyang, an intelligent factory based on Yonyou Jingzhi built an intelligent manufacturing system that integrated software and hardware, human-material-equipment-information system interconnection, introduced a series of intelligent equipment such as Automated Guided Vehicle (APV), Rail Guided Vehicle (RGV), robot, and stereo storehouse, and realized the integrated interconnection of intelligent equipment. It realized refined, intelligent and unmanned production of material distribution based on in the whole process based on production process pull, and promoted enterprises to reduce water consumption by 90%, gas consumption by 30%, and comprehensive energy consumption by 10,000 yuan added value by 30%.

Petrochemical Industry: In Fujian Petrochemical Group, the intelligent factory built by Yonyou realized the integration of production and operation, and improved the coordination efficiency by 30%. By opening up the production plan, workshop scheduling, workshop tasks and various production links, the scheduling efficiency was increased by 20%, the equipment idle rate was reduced, and energy consumption was reduced. Through the optimization of the device, energy conservation and emission reduction could be achieved, and electricity could be saved by 7,700 kWh per day.

Metallurgical Industry: In Jiangxi Copper Guiye, Yonyou Intelligent Factory assisted enterprises to build a centralized and integrated intelligent manufacturing platform, eliminated isolated islands of information, and realized the comprehensive collection of factory "data does not fall to the ground"; Through human-machine data calculation, intelligent key operations were realized, and the full-load operation rate of flash furnace and converter blowing time ratio of smelting workshop were significantly improved, and the energy consumption per ton of copper in anode furnace was significantly reduced.

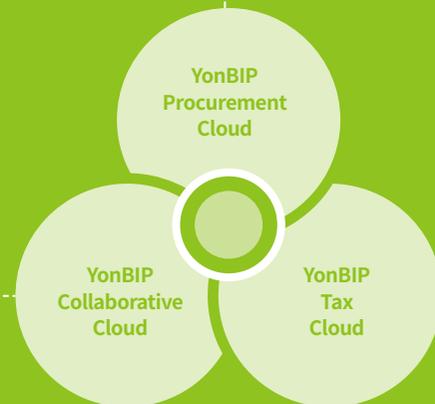


As the world's leading cloud service provider, we rely on high-quality cloud service technology capabilities to help customers achieve energy conservation and emission reduction in multiple scenarios, endow thousands of industries with more green genes, and take solid steps to achieve the goals of carbon peak and carbon neutrality together with stakeholders.

Promote carbon reduction through electronic and paperless procurement processes; Help companies acquire supplier carbon emission data and promote new material replacement to achieve carbon reduction in the supply chain trading process.

By the end of 2022, there have been **280,000** enterprises registered on YonBIP procurement cloud supply platform, **139** large and medium-sized enterprises rely on YonBIP procurement cloud to achieve **24,000** online bidding, **20,000** participating suppliers, and **43** billion yuan in winning bids. **295** large and medium-sized enterprises relying on procurement cloud have achieved **740,000** online inquiries, **90,000** participating suppliers, and **230.4** billion yuan in winning bids; A total of **20** million yuan of travel costs has been saved, which is equivalent to **140,000** tons of carbon emissions reduction based on the price of **1.5** yuan per kilometer of air travel .

^cCalculated in mid-distance aircraft travel (200-1000 km)



Build a one-stop work portal, combined with various common office functions, reduce multi-system and multi-channel access, and greatly improve work efficiency; Through a variety of information-based collaboration methods, smoothly realize remote and implementation collaboration, reduce business travel, and reduce carbon footprint; Relying on comprehensive resource management and intelligent robots, resources are allocated reasonably and waste is reduced.

By the end of 2022, YonBIP Collaborative Cloud has served more than **1** million enterprises and organizations, of which the "You Space" collaborative platform built based on YonBIP collaborative cloud has served more than **100,000** large and medium-sized customers, **50,000** paid enterprise customers, and more than **6** million end users. It has been selected as the office product catalog recommended by more than **30** provincial and municipal governments, and has become an important tool to comprehensively promote "paperless" office and promote resource conservation.

With cloud technology as the core, comprehensively reduce traditional financial and tax business consumables, and use the technical advantages of platforms such as electronic invoice management with large capacity and high degree of automation to help enterprises effectively achieve low-carbon environmental protection.

By the end of 2022, we has provided more than **61,500** tax-paying enterprises with tax-related, invoice-related and electronic accounting archiving services, with **190** million electronic invoices issued, **240** million invoices received, and **23** million electronic accounting vouchers (excluding electronic business documents and attachments). According to the calculation of reducing carbon dioxide by **0.002** kg per A4 paper, YonBIP Tax Cloud has achieved a cumulative carbon reduction of **906** tons.

Practicing Green and Low-carbon Operations

Yonyou pays close attention to the impact of its own operations on the environment, adheres to the concepts of green, environmental protection and intelligence, and is committed to minimizing the impact of its own operations on the environment through measures such as using clean energy, scientifically managing energy consumption, strictly implementing waste disposal, and deepening employees' environmental protection concepts. In 2022, we set up a green operation working group under the Group's Sustainable Development (ESG) Committee, which is responsible for formulating the company's carbon emission reduction strategy and implementation strategy, ensuring that key management plans for green operations are implemented, effectively promoting the greening of the company's internal operations, and supporting the achievement of the "carbon peak and carbon neutrality" goal. During the year, we formulated the *Carbon Peak Implementation Plan of Yonyou Industrial Park*, determined the carbon peak and carbon neutrality timeline, and defined the long-term goals of energy conservation and consumption reduction.

-  **Overall Goal** Yonyou Industrial Park (Beijing) will achieve carbon peak by 2030 (coverage category 1 and 2) and carbon neutrality by 2060.
-  **Green Energy** Yonyou Industrial Park (Beijing) will achieve green power accounting for not less than 50% of total power consumption no later than 2025, and green power coverage of 100% by 2030.
-  **Water Resources** Yonyou Industrial Park (Beijing) will realize that the proportion of reclaimed water used for green land irrigation will not be less than 50% of the total water consumption no later than 2025, and 100% reclaimed water coverage will be achieved no later than 2030.
-  **Green Commuting** Yonyou Industrial Park (Beijing) will realize the overall replacement of fuel shuttle buses no later than 2025, and achieve 100% new energy shuttle bus coverage.

Clean Energy Use

In 2022, we expanded the use of clean energy such as geothermal and photovoltaic in multiple industrial parks, and the company's clean energy utilization capacity was further enhanced.

Ground-source Heat Pump and Energy-storage Central Air-conditioning System



Deploy ground-source heat pump units and energy storage central air-conditioning systems in Beijing and Nanchang Industrial Parks to achieve intelligent operation of air-conditioning systems for cooling and heating, and significantly reduce energy consumption generated by traditional energy methods. A total of **1,546,855** kWh of electricity was saved in 2022, and carbon dioxide emissions were reduced by **934** tons.

Photovoltaic



By the end of 2022, a photovoltaic power station with a total installed capacity of **280** kilowatts and an annual power generation capacity of **416,902** kWh has been deployed in Nanchang Industrial Park, reducing carbon dioxide emissions by about **251** tons.



节能倡议书

各位同仁：

“用友产业园”是北京市节能减排重点单位，2021年全园区总耗电量为39560620度，天然气消耗量为1315593立方，园区2021年二氧化碳排放量为2639.17吨。量虽出逐年增加的趋势，园区节能减排的压力日益迫切，为此提出以下倡议：

一、照明

1. 办公区域、公共区域应充分利用自然采光，杜绝白昼灯；
2. 会议结束及下班（独立办公室）时随手关灯，杜绝长明灯。

二、空调

1. 严格执行国家规定的公共建筑室内温度控制标准，夏季办公室室内温度调至26℃，冬季室内温度调至20℃。

In 2022, we updated and revised the *Energy Conservation Proposal of Yonyou Industrial Park* and released it to all employees to promote the company's employees to more intuitively and perceptually understand the carbon emissions generated by business activities, and to practice energy conservation and emission reduction.

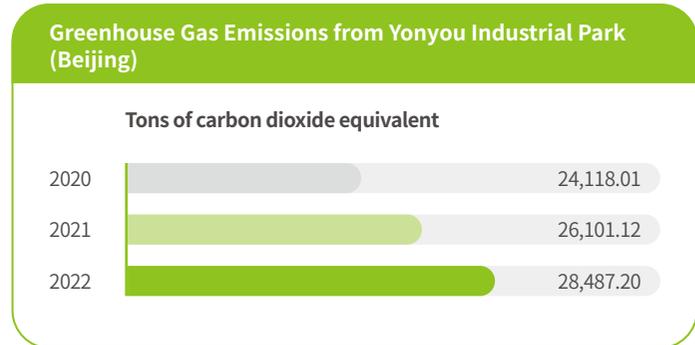
Comprehensive Management of Energy Consumption

We have established an energy-saving work leading group set up by the Property Management Department as the authority, in conjunction with the Park Operation Department, property companies, air-conditioning terminal maintenance and protection companies, etc., to be responsible for formulating and implementing energy-saving and consumption-related plans and measures; We have revised and improved the *Energy Conservation Initiative of Yonyou Industrial Park*, combined with the daily inspection work carried out by the park property company, to detect and stop energy waste in a timely manner, and guide all employees to cultivate saving concepts and habits.

Lighting	Water Use	Office Consumables
Promoted the transformation of traditional lighting in Beijing Industrial Park, and replaced 842 energy-saving LED lamps within the year, saving 40% of the total power consumption compared with the original lighting source	In 2022, the construction of municipal reclaimed water connection or rainwater collection system in Beijing Industrial Park was completed, and the use of underground water was reduced by 59,703 tons in the year	Broadly promoted paperless offices, encouraged employees to avoid unnecessary printing, used recycled paper, set up double-sided printing, etc., and saved a total of 84,435 sheets of paper in 2022.

Greenhouse Gas Emissions

We fully implement the new development concept, take the realization of the "carbon peak and carbon neutrality" goal as a guide, and take a series of positive measures to effectively reduce greenhouse gas emissions. In 2022, we continued to carry out carbon verification work in the company's Beijing Industrial Park, forming a complete and accurate carbon verification report through third-party professional institutions, comprehensively clarifying the carbon emission situation in the park and implementing targeted carbon reduction measures.




生态社区认证书
ECO-COMMUNITY CERTIFICATE

社区名称：用友产业园
Community Name: Yonyou Industrial Park
建设规模：45公顷
Planning Size: 45ha
申报单位：用友网络科技股份有限公司
Application Department: Yonyou Network Technology Co., Ltd.

颁发日期：2017年7月27日
Issued on: 27 July 2017

As early as 2017, the Yonyou Industrial Park was awarded the "Ecological Community Certification" by the China Ecological City Research Institute, marking that the comprehensive management of energy consumption and environmental protection of the Yonyou Industrial Park were highly recognized by the authoritative institutions.

Waste Management

We strictly abide by the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Wastes*, *Administrative Measures of the Prevention and Control of Environmental Pollution by Electronic Wastes*, *the Environmental Protection Law of the People's Republic of China* and other laws and regulations, and standardize the disposal process of different types of waste. No violations related to waste disposal occurred during the year.

Case Yonyou Beijing Industrial Park deepened the practice of waste classification

The company establishes a garbage classification work path covering the main links such as garbage classification container setting, garbage classification propaganda, garbage classification supervision, and centralized treatment at garbage stations:

- Set up four types of garbage classification and treatment facilities for kitchen waste, recyclable waste, hazardous waste and other garbage according to *Regulations of Beijing Municipality on the Administration of Domestic Garbage*.
- The garbage site was equipped with garbage bins of 4 types of garbage, and at the same time, obvious guidance signs were set at the garbage collection place.
- Kitchen waste was disposed of by qualified garbage sorting units. The staff was responsible for publicizing the "*Regulations of Beijing Municipality on the Administration of Domestic Garbage*" to each tenant and supervising the implementation of garbage classification. The tenant was responsible for sorting the garbage into garbage storage sites, and the environmental protection staff was responsible for transporting the garbage-to-garbage stations.

Publicity and Implementation of Environmental Protection Concept

We actively encourage employees to uphold the concept of environmental protection in the daily office process, practice environmental protection, and build an environment-friendly office culture in which everyone participates and everyone acts. In 2022, we continued to promote the "zero waste office" campaign, launched the "net zero" initiative for all employees, established an environmental protection cultural wall, carried out tree planting activities in the "Yonyou non-commercial forest" of the ant forest, and joined hands with each employee to practice low-carbon emission reduction and care for the environment.



Talent Development

Yonyou regards talents as the precious wealth of enterprises, regards talent growth as the core driving force for enterprise development, continuously improves the multi-channel recruitment mechanism, and widely accepts high-quality talents; We establish and constantly improve talent development channels to help employees realize more value; We improve the training mechanism, comprehensively improve the capabilities of employees, deepen employee care, build a harmonious workplace, and work together with every Yonyou employee to work healthy and live a happy life.

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Improving Recruitment Management

Yonyou is committed to building the company into a "platform for employees to work happily, achieve careers and share successes", establishing a system structure composed of *Yonyou Group Recruitment Management Rules* and *Yonyou Group Intern Management Rules*, etc., forming a complete talent attraction mechanism, and building a compliant, harmonious and equal employment system. We adhere to the concept of diversification in the recruitment process and support the career development of female employees and minority nationality employees. The proportion of female employees has increased for 3 consecutive years, reaching 34.3% in 2022; the number of minority nationality employees reached 1,246, the highest level in history. We build and continuously improve the company's employer brand communication matrix, convey real employer information and employee experience to potential employees through various social communication channels, and help the company improve the quality and efficiency of recruitment. In 2022, there were 425,976 views or broadcasts on our external recruitment channel accounts, and we recruited a total of 10,200 new employees through diversified recruitment channels, and provided internships for 4,792 interns.

34.3 %



Of female employees in 2022

1,246



Ethnic minority employees

Social Recruitment

Continued to increase the introduction of outstanding talents, started the recruitment of key positions in 3 business groups based on the company's talent needs, and introduced more than 200 outstanding talents.

- Expanded recruitment channels:** organized centralized procurement through online recruitment channels, increased the number of headhunting suppliers, and focused on supporting technical and marketing positions. The talent satisfaction rate for key positions reached 100%.
- Optimized the recruitment process:** promoted the recruitment management system in all branches of the company, and promoted the online and collaborative process of recruitment; Completed the docking of the recruitment management system and the back-end human resources system, opened up the recruitment and induction process, and greatly improved the management efficiency.
- Comprehensive recruitment service:** promoted the sharing of recruitment evaluation tools, introduced special evaluation tools according to the requirements of job sequence, and improved the quality and efficiency of recruitment; Provided training courses, recruitment interview skills courses and other resources to the interviewers, and promoted the company's interviewers to enhance "soft power".

Campus Recruitment

We broaden the channels of information exchange and comprehensively improve the quality and efficiency of campus recruitment through online lectures, live broadcast and other ways.

Held the 2022 Spring Campus Recruitment "Youwei Youth Sharing" and "Interviewer Answering Questions"; Held online lectures such as the 2023 Autumn Campus Recruitment "Q & A Special Session for High Potential Batch", "Seniors Special Session for High Potential Batch", "Q&A Special Session for Advanced Batch", "Senior Special Session for Advanced Batch" and other online lectures have been watched 21,151 times online, and the number of school recruits reached 2,106 in 2022.

With the goal of improving the recruitment experience of the school, gave full play to the advantages of "You Space", optimized and upgraded the process of each link of the school recruitment, relied on cloud technology and platform as the core, and comprehensively improved the efficiency of recruitment links such as signing contracts, internship applications, entry applications, and information collection.

Cooperated with more than 10 universities including Tsinghua University, Harbin Institute of Technology, Beijing University of Aeronautics and Astronautics, Dalian University of Technology, etc., actively explored school-enterprise cooperation models, including providing colleges with students' practice training bases, establishing joint laboratories, setting up in-school scholarships, etc., and work with colleges to train high-quality talents with strong theoretical and practical abilities.

⁷You Space is an information application developed by the company. It is the unified application entrance to "Yonyou Cloud" ecology. It is a social collaborative office platform specially created for large and medium-sized enterprises and organizations. It provides enterprises with core values such as office collaboration, communication collaboration to improve management and work efficiency.

Expanding Development Space

Yonyou promotes employees to continuously improve their core competitiveness and organically integrate their own capabilities with the company's development through the construction of a sound employee training system, the establishment of multi-track parallel career development channels, and the establishment of a complete talent retention mechanism.

Employee Training

We have 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 with the core of the employee training and cultural system based on *the Management Rules for Delivery of Yonyou Learning and Training Center*, *the Management Rules for Knowledge Learning and Examination Certification* and *Operations Guide for Cultural Teams of Yonyou Group*, so as to form a training mechanism with clear hierarchy and clear focus to help employees continuously improve their core competitiveness. In 2022, Yonyou Learning and Training Center conducted 223 training sessions for all kinds of employees, trained 38,048 person-times, and scored 4.6 points (out of 5 points) in training satisfaction.

<p>"Youwei youth" New Employee Training</p>	<p>Upgraded the online culture and public quality micro-courses and examination question bank of new employees</p> <p>Deepened the training system for new employees, form a combination of "online self-study + integration training + on-the-job learning", a training model that is strongly related to learning and examinations, and comprehensively improved the quality and efficiency of new employee training.</p> <p>During the year, 23 training sessions for social recruitment of new employees of the "Youwei Youth" were completed, 4 training sessions for fresh graduates, and 1,795 people were trained. The number of online "First acquaintance with Yonyou" students reached 5,780.</p>
<p>BIP Product Knowledge Learning and Examination for All Staff</p>	<p>The all-hand's product learning and examination system optimization were carried out, and the two stages of the first and second half of the year and the Yonyou BIP 3 marketing training were organized and completed. A total of 21,420 people completed the study, with a passing rate of 91.1%.</p>
<p>Foster of Cadre</p>	<p>Promoted 100% participation of new grassroots cadres in training, carried out a mechanism that combines "business scenarios + management scenarios" seminars with "compulsory + selective" course learning, and effectively promoted new cadres to achieve role change and management competence. In 2022, a total of 463 trainees completed their studies, with a defense rate of 92 percent and a qualified rate of 99 percent.</p> <p>Completed the curriculum schedule construction, curriculum case development and serial case collection based on the "cadre five forces".</p> <p>Focused on the necessary skills needs of cadres and employees in key positions, and carried out special training on employee management and business management. During the year, 46 training sessions were conducted with 1,690 participants.</p>
<p>Professional Capacity Development</p>	<p>Scene Course Construction: Coordinated with business departments to promote scene course construction through micro-course competitions, extracted business experience and promoted it.</p> <p>Precise Improvement of Professional Skills: Precision training on digital and intelligent consulting skills, professional operation of major projects, and value creation skills was conducted for professional sequences such as pre-sales, sales, delivery and customer success. A total of 67 training sessions were conducted during the year, with 3,477 participants. The company's professional sequence employees achieved remarkable results in improving their skills.</p> <p>Partner Empowerment: Carried out training including products, implementation methodology and consulting capabilities for professional consulting partners, implementation partners, traditional business partners, ecological partners, etc. A total of 19 channel transformation and special empowerment training sessions were carried out during the year, with 666 participants, effectively promoting the overall organizational capabilities of partners.</p>

285 
Cadres, experts lecturers were trained

In 2022, we made efforts to enhance the promotion and operation of online learning relying on the advantages of digital technology, and built the company's online learning platform "Youle Learning" as the main platform for course learning, and promoted the organization of employees of all sequences and levels to participate in learning and examinations according to plans. The company's per capita learning time was up to 130 minutes/month. At the same time, we have accelerated the promotion of cadres and experts as lecturers, and carried out training in teaching skills and experience summary. During the year, a total of 11 authorized lectures were held in 6 high-quality courses, and 285 cadre and expert lecturers were trained to teach, tutor and improve the business skills of the company's employees nationwide.

350 
Employees participated

During the year, we cooperated with educational institutions such as Keruihua and Hundun College to provide external training and joint training programs covering strategy, innovation and other contents for employees to promote all-round development of employees. By the end of 2022, we have worked with nine institutions to jointly develop 12 training programs that involved 350 employees.

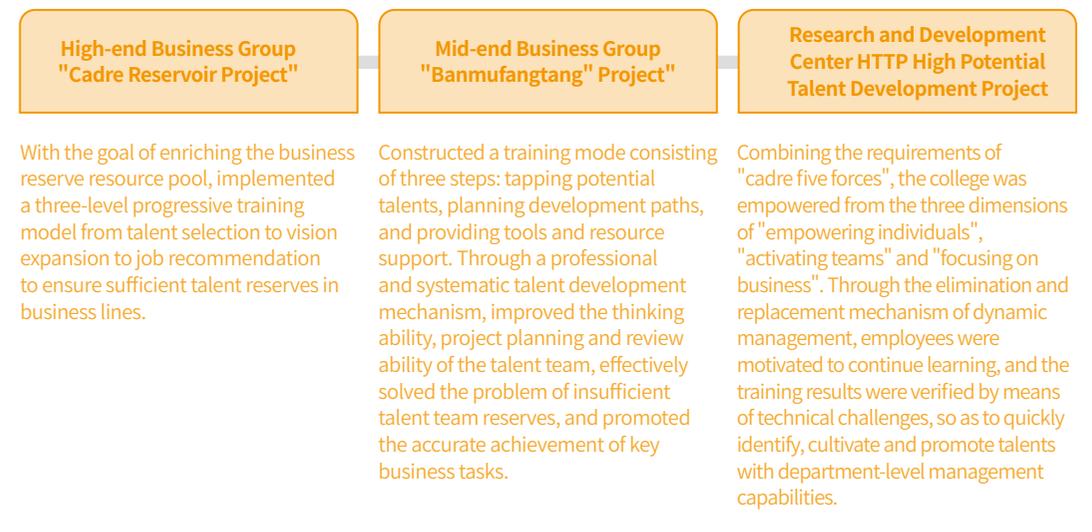
⁸Learning, execution, synergy, decision-making, insight

Development Channels

We earnestly practice the value of "professional struggle", implement the "multi-channel" development mechanism for employees, establish and improve the employee development system, and provide solid support for improving the company's professional ability.

	<p>Built a systematic development mechanism, ensured the accuracy and sustainability of the selection of outstanding talents, and helped the optimization of the company's talent structure and high-quality business development.</p> <p>Took the position and rank system as an important starting point for the construction of sequence capacity, the professional position development system added 34 position sequences, all of which completed the preparation of ability development path and job standards, providing more accurate and comprehensive guidance for the development of employees' professional ability.</p>
<p>Professional Development</p>	<p>In the rank promotion in 2022, more than 1,200 employees were promoted to "senior", nearly 300 were promoted to "expert", and the proportion of personnel above "senior" increased year by year.</p> <p>We continued to optimize the "fast lane" development policy, and allowed employees with outstanding ability and performance to break the rules for promotion. The proportion of fast lane promotion personnel accounts for 56% of the overall promotion.</p> <p>Since 2021, we have launched the master's degree program for research and development core engineering management, and organized and funded the company's research and development core personnel to apply for the master's degree in engineering management of Tsinghua University and Harbin University of Technology. The company has registered 61 people, participated in the examination of 20 people, and admitted 4 people in 2022.</p>
<p>Leadership Development</p>	<p>Established a management/professional dual-channel separation development model, established cadre rank evaluation rules and evaluation procedures, completed cadre evaluation covering the entire group, and gave full play to the guiding role of cadre qualifications in rank management.</p> <p>Started cadre archives and information construction, prepared for the construction of a cadre talent portrait information system, and promoted the management of cadre talent labeling.</p> <p>Promoted the application of Yonyou cadres' common competency models, developed standard training courses of competency model, established Yonyou competency model case databases, and promoted their use in various training camps and talent training projects.</p>

In 2022, guided by business objectives, we implemented multiple cadre talent team construction projects, broadened talent development and promotion channels, and helped the company's human resources construction accelerate iteration and updating.



Talent Retention

We further improved the talent retention mechanism, established and improved the policies and systems covering employee motivation, performance assessment and employee communication, such as *Yonyou Network Technology Co., Ltd. Post Performance Assessment System*, *Yonyou Network Technology Co., Ltd. Stock Option* and *Restricted Stock Incentive Plan*, and *Innovation Achievement Award*.

In 2022, in accordance with the company's *Incentive Measures for Innovative Achievements*, we continued to reward teams and employees who have produced innovative achievements in products and services, business models, solutions, management, etc., and encouraged employees to better practice the company's mission and achieve higher value. During the year, we issued a reward fund of 4.78 million yuan to 27 teams. In addition, we continued to promote medium and long-term incentive plans such as equity incentives. A total of 387 outstanding employees received equity rewards during the year.

We constantly improved the employee performance appraisal system, and in combination with *the Post Performance Management System of Yonyou Network Technology Co., Ltd.*, revise and improve *the Implementation Rules of Annual Post Performance Management* every year, promoted the continuous detailing and upgrading of assessment scope, indicator setting, scoring requirements, etc., to ensure that the target management system and performance management system are scientific and efficient. In 2022, the lightweight and agile assessment of 21,707 people in the group were realized; We established and improved the communication mechanism for performance appraisal results, and achieved a total of 4,988 communication feedback throughout the year, with an organizational coverage rate of 100%. Cadres at all levels and line business directors/project managers of the company provided comprehensive feedback on the performance results of employees, and timely recorded the communication results in the "My Feedback" module of the "You Space" continuous performance system, which was delivered to the employees in real time.

We continued to deepen the construction of the employee communication platform, relying on the company's internal SNS (social network service) community, You Space and other information applications, promoted all employees of the company to put forward their personal views and suggestions on the company's business management, technology development and other issues, and irregularly organized online exchange and discussion on the focus issues to solicit employees' opinions. We carried out an employee satisfaction survey once a year to fully understand the core concerns of employees and incorporate key recommendations into the optimization process of the company's daily operation. In 2022, the company's employee satisfaction was 81.5%, up 6 percentage points from 2021.



21,707



Employees were achieved the lightweight and agile assessment of the whole group

4,988



Communication feedback achieved

100 %



Organizational coverage

81.5 %



Of employee satisfaction in 2022

Deepening the Employee Care

Yonyou regards employees as the foundation of the company's healthy and sustainable development, cherishes the physical and mental health of each employee, and works with employees to create a better life by continuously improving the office environment, organizing cultural and sports activities, and providing timely help to employees in need. In 2022, we innovated the employee welfare system and implemented "My Benefits to Choose", allowing employees to customize non-salary benefits including annual festival benefits according to their preferences, comprehensively increasing employee participation, and increasing employee identity and sense of belonging.

Optimizing the Workplace Environment

We actively responded to *the Healthy China 2030 Planning Outline*. In 2022, we actively promoted a series of measures covering the improvement of the office environment, commuting, health and safety of employees, and started bit by bit to protect employees' physical and mental health.

Provide a Quality Office Environment



- Adhered to the selection of green and environmentally friendly furniture for employees, and all furniture panels were of high-quality environmental protection E1 level.
- The air quality inspection of the newly built office area was carried out within the year, equipped with 36 sets of air purifiers, and the central air conditioners in the park was cleaned and disinfected regularly.

Safeguard the Health and Safety of Employees



- Added automatic external defibrillators (AEDs) in all areas of the park to effectively guarantee the emergency rescue needs of employees.
- Regularly inspected the safety of all catering service providers in the park to ensure the safety and health of food, food containers and food operators. No abnormal events occurred during the year. The environmental safety and food safety guarantee work of the restaurant in the park was highly recognized by the regulatory authorities.

Facilitate Daily Employee Commuting



- Provided shuttle bus services for employees, and added a number of shuttle bus routes connecting the company with key areas and transportation hubs to enhance the employee commuting experience.

- Conducted safety inspection once a month to ensure the safety of electricity, gas and fire protection; Carried out fire drills twice a year, normalized the promotion of safety production, use of firefighting equipment, safe use of electricity and other publicity activities, and built safety protection barriers.

In 2022, we continued to carry out various activities to help employees maintain physical and mental health and achieve happy work and healthy life.

In 2022, we launched the second season of the *Friends of Users* cultural storybook, completed the editing of the *Everything Based on Creating Customer Value* cultural storybook, and further enhanced employees' recognition of the company's development values.

We organized 6 emergency rescue training sessions in batches and phases. A total of 300 employees of the group and the park service unit passed the on-site study and practice. They have completed the assessment and successively obtained the "Ambulance Skills Certificate" issued by the Beijing Red Cross.

On October 22, 2022, we organized the "Leading Digitization and Intellectualization and Jump Acceleration" autumn MINI marathon to promote employees to "step away, practice and happy work".

In August 2022, we held a small and medium-sized "Love Confession Day with Yonyou's love" Qixi social activity for single employees of the company, with 107 participants.

In the Mid-Autumn Festival of 2022, we held the Mid-Autumn Festival activity of "Companion with Heart, Reunion with friendship" in the park, with 1,000 participants.

Rescuing Employees in Difficulties

We have formulated the *Measures for Subsidy of Medical Expenses for Serious Illness and Personal Accident Injuries of Employees* and the *Management Rules for Employee Assistance Fund* to provide timely assistance to employees and their families in need and reduce the burden of employees. In 2022, we provided 584,000 yuan of medical supplement for 288 employees.

In 2003, the Company established the *Management Rules for Employee Assistance Fund* to help employees and their spouses, children and parents to survive special difficult periods in the event of major diseases, personal accidents or major natural disasters. By the end of 2022, the accumulated amount of aid spent by the relief fund had exceeded 7.49 million yuan. In 2022, the company assisted 92 employees and their families through the Employee Assistance Fund.

584,000 
yuan of medical supplement was provided in 2022

7,490,000 
yuan of accumulated relief amount

Better Society

Yonyou insists on releasing innovation vitality, focusing on building a good ecological structure, bringing together large-scale ecological partners, and promoting industrial development and employment security to go hand in hand; with our core technology as the fulcrum, Yonyou develops a new driving force for the development of digitization and intellectualization in the public welfare industry and helps the vigorous development of philanthropy. Yonyou takes the protection of China's commercial cultural heritage as one of the core tasks of fulfilling social responsibilities, and continuously invests funds to support relevant research, improves the construction of staff volunteer team, and promotes the company's public welfare actions to enter a new stage of specialization and systematization.

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Gathering Ecological Partners

In recent years, a new round of scientific and technological revolution and industrial changes have accelerated the restructuring of the global economy, and the service market for Chinese enterprises has entered a new stage of accelerated development. With the digital transformation of enterprises and the increasing demand for business innovation, the development in the new era and new pattern has put forward higher requirements for the further formation of a cohesive and win-win new ecosystem in the enterprise service market. Yonyou always adheres to the "integrated" ecological strategy, takes "integrate intelligence and gather strength" as the core concept, and works with the majority of ecological partners to build a new ecology of enterprise services to help more enterprises move towards high-quality development.

“ Build and operate the world’s leading business innovation platform, bring together 100,000 ecological partners, 100 million communities, and jointly serve more than 10 million corporate and public organization customers. ”

In 2022, we launched the Eco-2.0 era, comprehensively built the "Yonyou Ecological Partner Network", upgraded the ecological plan and established a sound ecological support system, and worked with partners to promote the establishment of a global leading aggregated enterprise service ecology.

Yonyou Ecological Partnership System

Technology/ Platform/Solution Strategic Partner (GTP)

Guided by the Yonyou BIP strategy, Yonyou and top partners in the industry make strong alliances, relying on the advantages of Yonyou’s cloud service application, combining with the partner platform and advanced technology to carry out joint innovation, create joint solutions, and jointly promote the digital and intelligent transformation and business innovation of enterprises.

Professional Services Partners (ISPs)

The Yonyou professional service ecosystem relies on the integration of Yonyou software and cloud products and services, provides professional services for customers, and forms a integrated, complementary and win-win joint customer operation service system with Yonyou. Professional service partners include five major categories of professional service partners: consulting, implementation, integrated solutions, project management, and platform technology.

Independent Software Vendors (ISV)

ISV partners can carry out product innovation and development based on YonBIP business innovation platform. Yonyou provides ISV partners with complete technology and empowerment, rich rights and resources, and helps ISV partners build integrated applications of "business and finance" and "business and management" based on YonBIP, expands the joint marketing between partners and Yonyou, enables customers to achieve operation and management innovation of integration of "business and finance" and "business and management", and enables partners to achieve cost reduction, income increase and sustainable development.

Business Partner (VAR)

Yonyou provides VAR partners with a series of services, including organizational system construction, market support, sales support, and knowledge empowerment support to help business partners improve market competitiveness and profit margin from multiple dimensions and enhance their brand awareness.

Innovating Public Welfare Practice

By the end of 2022, the development of Yonyou Ecological Partnership has achieved fruitful results. Yonyou had 2,468 ISV partners, 1.1 million registered developers in the developer community, 419 professional service partners, 72 strategic alliance partners, and more than 3,000 commercial partners; YonStore, the Yonyou Cloud Market Mall, had more than 10,000 partners, more than 16,000 products, 28 new BIP native application products; There were 37 OEM product partners, 85 company-level third-party product and solution partners, and Yonyou carried out BIP ecological cooperation with more than 1,700 banks and enterprises.

Yonyou firmly believes that the success of any business activity depends on its value and contribution to the society. A great enterprise has done something of great significance in its era and created great social value. Relying on the Yonyou Public Welfare Foundation established in 2016, we continued to carry out organized and professional philanthropy, and have achieved outstanding results in the fields of digital and intelligent empowerment of charitable organizations, commercial heritage protection, etc.

Yonyou Public Welfare Cloud

We are committed to promoting the digital and intelligent development of the public welfare industry by relying on our own advantageous products and services. In 2022, we focused on providing public cloud-based financial and project management services for public welfare organizations. On the basis of preliminary research and pilot projects, we officially launched the "Yonyou Public Welfare Cloud" project, comprehensively expanded the scope of promotion in the public welfare industry, provided more public welfare institutions with public cloud-based financial and project management products (YonSuite) and services for free, and improved the informatization level, transparency and credibility of public welfare institutions, helped the public welfare industry open a new era of digitalization and intellectualization.



By the end of 2022, Yonyou has provided public cloud products and implementation services for 13 public welfare institutions, of which 10 institutions have completed online. In the future, the Public Welfare Cloud project will further expand the scope of funding according to the needs of the public welfare industry, solve the digital problems for more public welfare institutions, and take the public welfare digital level to a new level. In addition to providing products and implementation services, it also provides professional financial knowledge, financial software, information capability training and service support for public welfare organizations and rural financial accounting.

List of funded institutions of "Yonyou Public Welfare Cloud"	
Number	Organization
1	Beijing IHEARU Charity Foundation
2	China Foundation for Rural Development
3	Beijing Hanhong Love Charity Foundation
4	New Sunshine Charity Foundation
5	Audiology Development Foundation of China
6	Love Save Pneumoconiosis
7	Beijing AngelMom Charity Foundation
8	Lingshan Charity Foundation
9	Shenzhen Ageing Development Foundation
10	Dandangzhe Foundation
11	Sichuan Haihui Poverty Alleviation Service Center
12	Shanxi Gender Development Solution
13	Beijing University of Technology Education Development Foundation

Arrangement and Protection of China's Commercial Cultural Heritage

Commercial cultural heritage is a precious and non-renewable resource. With the rapid development of the economy and society and the great changes in the commercial cultural ecology, the traditional commercial civilization and its living environment are seriously threatened. With the goal of "inheriting the commercial culture of the Chinese nation and promoting the development of China's commercial civilization", we adhere to the development concept of "innovation, coordination, green, open and sharing", and excavate, sort out, publish and display China's commercial cultural heritage by supporting theoretical research, discipline construction, database construction etc., help to inherit and develop and expand the excellent business culture of the Chinese nation and promote the development of business civilization.

In 2022, we continued to carry out the "Great Wall of Commerce" funding project, donating 3.6 million yuan to fund 16 outstanding Chinese commercial cultural heritage research and protection projects at home and abroad. We added a major project category with a funding standard of 600,000 yuan, forming three levels of funding for major projects, key projects and general projects, and guiding scholars at different levels to participate in the arrangement and research of historical materials of commercial cultural heritage and commercial basic heritage from funding amount and achievement value. By the end of 2022, we have successively carried out six "Great Wall of Commerce" funding projects, with a total of 26.625 million yuan donated and 119 projects funded, which have attracted wide attention and praise from all social circles, and won public welfare awards selected by many well-known media such as Southern Weekend, 21st Century Business Herald and Public Welfare Times. In the future, Yonyou will continue to promote the arrangement and protection of China's commercial and cultural heritage with the "Great Wall of Commerce" project as a handle.



Construction of Staff Volunteer Team

We encourage, advocate and support the company's employees to participate in social services and public welfare activities as volunteers, and rely on professional voluntary services to carry forward the company's public welfare spirit. In 2022, 245 volunteers of our "Walk side by side with friendship" volunteer service team completed group certification on the "Volunteer Beijing" platform of the Beijing Volunteer Service Federation, and the cumulative volunteer service time in 2022 was 1,673 hours. During the year, we cooperated with Alipay to launch the "Yonyou Non-commercial Forest" project, with a total of 6,700 people participating, achieving a total watering volume of 3.9 tons and planting 27 Pinus sylvestris. In addition, we actively carried out offline public welfare activities involving environmental protection and donation of old clothes. We carried out 6 activities in the year and participated in more than 500 people.

In the new era, the volunteer service team of "Walk side by side with friendship" will continuously improve the volunteer service system of Yonyou through the four dimensions of cultural construction, institutional construction, organizational construction and project construction. We organizes a series of volunteer service activities around "carbon neutrality" and professional volunteer service, fully demonstrates the enthusiasm and love of Yonyou, and demonstrates our professionalism and responsibility to contribute to the protection of "blue water, blue sky and pure land" and enables public welfare digital intelligent innovation.

A total of more than 100 caring colleagues participated in the on-site donation activity of "old clothes with warm heart and go forward together with love", donated 454kg of clothing, about 1,000 pieces of clothing, some shoes and hats and education assistant book for children in mountainous areas.

Future Prospects

The year 2023 is a key year for the continuation of *the 14th Five-Year Plan* and the first complete year of construction after the 20th CPC National Congress. The new journey of Chinese path to modernization is fully launched. After years of development, China's digital economy has connected horizontally and vertically, forming a trend of systematic promotion. A series of top-level documents have deployed the development of the digital economy. The position of the digital economy in the national economy has become more stable. China's digital economy industry will continue to release new momentum, and present a diversified radiation development trend. The digital and intellectual transformation of thousands of industries will burst into more vigorous vitality.

We have written continuous innovation into the development gene. Over the past three decades, we have adhered to the development concept of "responsibility, openness, innovation, cooperation and green", committed to promoting the sustainable development strategy of "digital and intelligent inclusiveness, security and credibility, integration of ecology and green development". In the era of digital economy, we continue to give full play to

our technological advantages and connect with the new mode of production and social operation that is platform-based and ecological. With the hard work of Yonyou employees, "making the industry more efficient and the society greener" is accelerating into reality.

Up to now, we have gradually incorporated the concept of Environment, Society and Governance (ESG) into all aspects of the company's operation, and promoted the company's sustainable development management into a high-quality stage with a matching mechanism. With a view to the future, challenges and opportunities coexist on the road of digitalization and intellectualization of enterprises. The core concept of "Friends of Users" will, as always, guide us in fulfilling our social responsibilities and practicing sustainable development. We will continue to focus on the technology ecology with YonBIP as the core, increase investment, work with the majority of stakeholders, and continue to contribute to the "3060" goal of carbon peak and carbon neutrality and other sustainable development strategies, writing a new chapter of Chinese path to modernization.

Content Index

GRI Content Index

Statement of use	Yonyou Network Technology Co., Ltd. reported the information cited in this GRI Content Index Summary by reference to the GRI standard from January 1, 2022 to December 31, 2022 (some content is outside the above time frame).
The title of GRI 1 used	GRI 1: Foundation 2021

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