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Beijing United Information Technology Co., Ltd. 2021 ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT

IBI 国联股份
—— B2B电子商务 产业互联网平台 ——

Beijing United Information Technology Co., Ltd.
**ENVIRONMENTAL, SOCIAL, AND
GOVERNANCE REPORT 2021**

Stock code: 603613.SH



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Report Introduction

Reporting Cycle: This report is an annual report, was approved for release by the board of directors on April 21, 2022.

Reporting Assurance: Beijing United guarantees that there are no fictitious records, misleading statements, or material omissions in this report, and the board of directors shall ensure that the contents are true, accurate and complete.

Reporting Scope: Unless otherwise stated, the reporting scope is consistent with that of the 2021 financial report of Beijing United, which covers the period from January 1, 2021 to December 31, 2021. Some contents may surpass the above scope.

Reference Standards: The main reference standards of this report include the *Environmental, Social and Governance Reporting Guide* (“ESG Reporting Guide”) set out in the Appendix 27 to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, the *Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises* (“CASS-CSR 4.0”) of the Chinese Academy of Social Sciences, the *SDG Compass: The Guide for Business Action on the SDGs* (“SDG Compass”) of the United Nations, and the *GRI Sustainability Reporting Standards* (“GRI Standards”) of the Global Reporting Initiative.

Preparation Process: According to the requirements of the above standards, the preparation work of this report follows the steps of, among others, industry benchmark, questionnaire survey, interviews with stakeholders, departmental investigations, data collection and verification, report writing, and review by the corporate management, so as to guarantee the completeness, materiality, authenticity, and balance of the contents.

Reporting Principles: This report refers to the requirements of the principles of “materiality” “quantitative” “balance” and “consistency” .

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

Data Description: The data and data sources in this report are mainly from the statistical data and relevant documents of Beijing United. The Company guarantees that no fictitious records or misleading statements are included in this report, and will be responsible for the authenticity, accuracy and completeness of the contents. All currency amounts are in RMB yuan unless otherwise stated.

Report Access: This report is available in both simplified Chinese and English. It is published as an electronic document, and can be accessed from the official website of the Company.



Message from the Chairman



The year 2021 marks the first year in implementing the 14th Five-Year Plan and the new journey of fully building a modern socialist China, as well as the first year for Beijing United to construct a new development pattern. With the acceleration of the digital transformation of world economy and the iterative update of e-commerce platform technologies, we are deeply aware of the great mission of promoting industrial digitization. It is imperative for us to continuously refine the contents of industrial Internet focusing on data services, contributing to industrial innovation and upgrading.

Taking green actions and building new pattern of harmonious coexistence. As an enterprise in industrial Internet sector, we have insisted on the green operation concept, advocated energy-saving and emission reduction, and improved resource utilization rate. We have effectively implemented low-carbon development of industrial chain, integrated the tackling of climate change into the whole industrial chain, accelerated the R&D and application of green and low-carbon technologies, made efforts to build green factories, and strived to develop green and low-carbon business model.

Putting people first and creating a new life at work. We have always focused on the core issues of human resources including employee diversity, employee benefits, training and development, and work-life balance. We have established sound and scientific management systems for human resources, developed employee development programs, carried out employee training activities, and helped employees achieve rapid growth. We have attached great importance to the employee assistance work, and set up special employee assistance funds. A total of more than RMB100,000 has been devoted to help employees in need. We have made unremitting efforts to prevent and control the COVID-19 pandemic, paid attention to the physical and psychological health of employees, and constantly improved their sense of belonging and sense of happiness.

Cooperating with partners and jointly building new business ecosystem. We have taken initiative to conduct strategic cooperation with partners, and established partnerships with suppliers, which features shared responsibilities and shared benefits. We have been awarded the title of “National Demonstration Enterprise of Supply Chain Innovation and Application” by the Ministry of Commerce (MOFCOM) and other seven units. We have focused on the environmental, social, and governance (ESG) risk management for suppliers, paid close attention to the risk factors of supply chain, and taken strict measures to enhance management on product quality and work safety. Insisting on sincere service attitude, we have guaranteed the rights and interests of customers in an all-around way. In 2021, there was no complaints received from platform users.

Insisting on digitally-driven strategy and empowering new industrial model. We have made every effort to promote the development of big data industry. Through data onboarding such as the sensor-assisted workshops, cloud-based warehouses, and cloud-based logistics, the data in various fields have been effectively and efficiently used. The Company's big data project has been selected as the “2021 Pilot and Demonstration Project for the Development of Big

Data Industry” by the Ministry of Industry and Information Technology (MIIT). We have ushered in a new era of digital transformation, tried the best to promote the digital building of industrial chain, and strived to advance the application efficiency of digital technologies in whole industrial chain. We have improved the online system for supply of goods, and the service system for smart warehouse distribution, and promoted the horizontal and vertical digital connection of the industrial chain. In 2021, we officially launched the “Building of 100 Cloud Factories” program, and signed cooperation agreements on cloud factory building with over 20 enterprises, aiming at boosting the digital transformation of industries.

Enhancing assistance efforts and fostering new momentum for service industry. Since the outbreak of COVID-19, we have made all-out efforts to prevent and control the pandemic, and strived to solve the shortage of pandemic prevention materials and to guarantee the work and production resumption of the enterprises along the supply chain by conducting donations and boosting the development of industrial chain. We have undertaken several major governmental projects at county-, city- or prefecture-level in southwest China's Sichuan Province, and made use of the achievements of e-commerce development to promote the building of new infrastructure for rural e-commerce, to develop e-commerce service industry at county-level, and to empower industrial upgrading with smart digital technologies, contributing to rural revitalization.

Under the thriving environment for mass entrepreneurship, we make unremitting efforts to explore opportunities and meet challenges. In the future, insisting on the corporate values of “Excellence, Self-Improvement, Honor, and Accountability. The realization of customer value is the bottom line for an enterprise to survive”, and remaining true to our original aspiration, we will forge ahead and work hard to create a green and sustainable future together with stakeholders.

Beijing United Information Technology Co., Ltd.
Chairman
Quan Liu

About Us



Corporate Profile

Established in 2002

Beijing United Information Technology Co., Ltd. was established in 2002, and successfully listed on the main board of A-share market of the Shanghai Stock Exchange (SSE) on July 30, 2019, Beijing United Information Technology Co., Ltd. (stock code: 603613.SH) is mainly engaged in business-to-business (B2B) e-commerce and industrial Internet platform business. Taking industrial e-commerce as the foundation, and industrial big data and industrial digitalization as the supporting pillars, the Company provides online commodity trading of industrial products and raw materials, business information services, and digital technology services for related industry customers. The Company is committed to realizing deep integration between the new technologies such as the Internet, Internet of things, bid data, cloud computing, and artificial intelligence, and the traditional industries, so as to achieve the corporate value and mission of promoting traditional industries to reduce costs and increase efficiency.

The Company thoroughly implements the development strategy of industrial Internet, which focuses on platform, science and technology, and data, and effectively carries out the operation strategy of “one body with two wings”, that is, to quickly promote the transaction scale and platform influence of Duoduo e-commerce, as well as to actively improve the integrated information service capabilities of ibicn.com, and vigorously enhance of digital technology service capabilities of ibisaas.com. Through active building of national marketing system, efficient support of R&D strength, and regulatory improvement of management level, the Company has achieved sustainable and rapid growth.

Corporate Core Business:



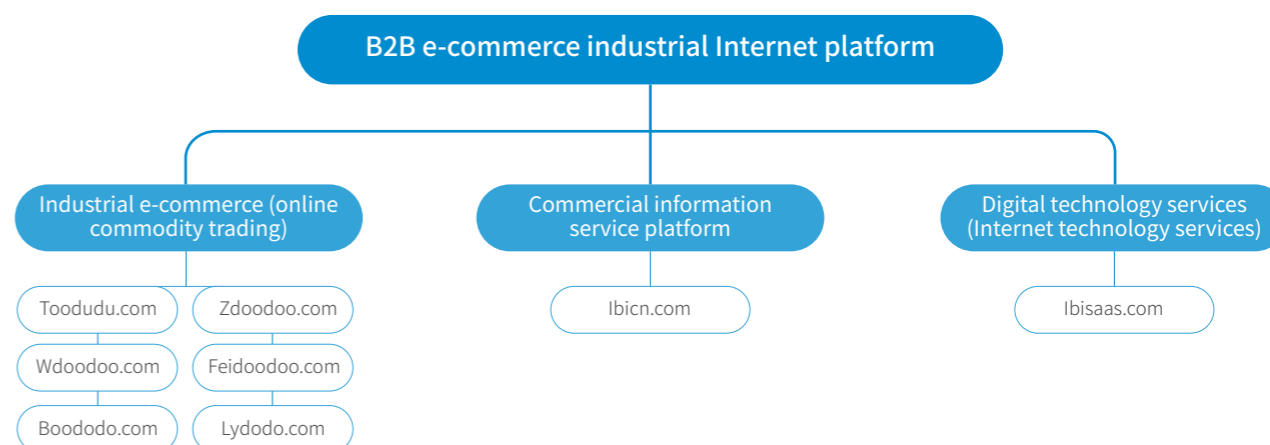
Commercial information service platform: Ibicn.com and ygbid.com. Ibicn.com mainly provides business information services to enterprises in various industries, and the businesses cover over 100 industrial sectors. As the development foundation and incubator of Duoduo e-commerce, Ibicn.com has 2.8085 million registered member enterprises, and boasts the databases with 10 million yellow pages and 50 million bidding information resources.



Industry e-commerce (online commodity trading): Through six major Duoduo platforms of toodudu.com, wdoodoo.com, boododo.com, zdoodoo.com, feidoodoo.com, and lydodo.com, the Company provides online commodity trading services for customers along the industrial chain, including independent e-commerce, third party e-commerce, and SaaS services. Totally, the Duoduo platforms now have more than 490,000 registered users, and 67,259 monthly active users, as well as 12,461 stock keeping units.



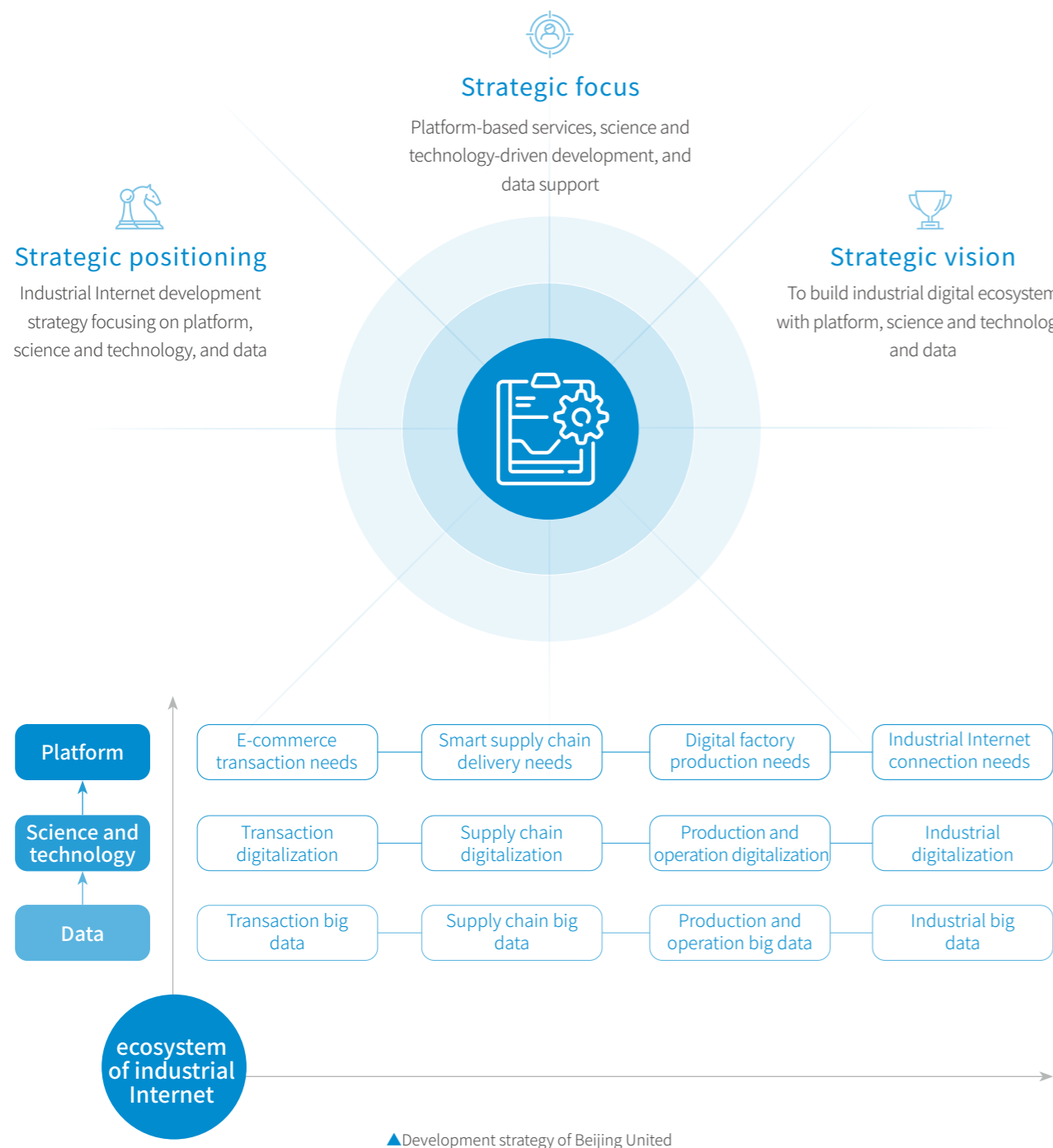
Digital technology services (Internet technology services): Ibisaas.com is positioned on the digital technology service platform for industries and enterprises, and its main digital technology service systems include digital factory, PTDCloud industrial Internet, smart supply chain, live streaming, remote office, corporate VR, and cloud market.



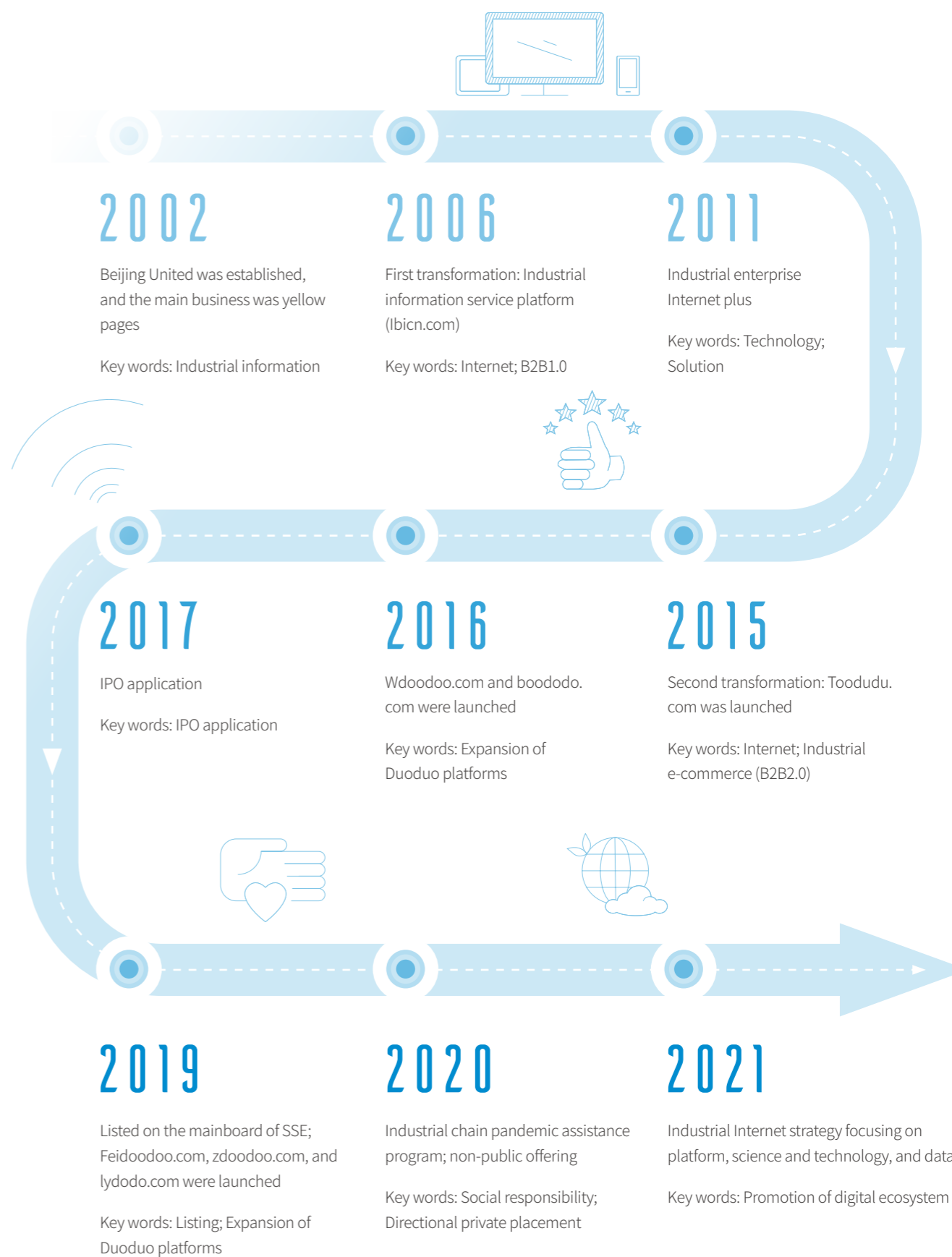
▲ Business structure of Beijing United

Corporate Strategy

Facing the future, the Company will closely focus on the National Digital Economy Strategy, take industrial e-commerce, industrial Internet and application of supply chain innovations as the orientation, keep a foothold in the integration, transformation and improvement of manufacturing industry and traditional industries, and vigorously implement the industrial Internet (industrial digitalization) development strategy with the focus on "platform, technology and data". Insisting on platform-based services, science and technology-driven development, and data support, the Company will take Duoduo e-commerce as the development body, the ibicn.com and ibisaas.com as the development wings, and the digital service system for real economy as the development pillar, and further promote the fast development of main business, striving to build itself into a leading industrial Internet (industrial digitalization) enterprise in China.



Corporate Milestones



Social Responsibility Honors & Awards

Since its establishment, Beijing United, with continuous innovations in science and technology, has insisted on the operation concept of integrity and compliance, strived to provide high-quality products and services to users, and tried the best to fulfill social responsibilities. With concerted efforts, the team has won more than 200 qualifications and honors for the Company. The corporate values of “Excellence, Self-Improvement, Honor, and Accountability” have been firmly established.

<p>Selected into the “2021 Top 100 Private Enterprises in Beijing” and the “2021 Top 100 Private Enterprises in Beijing for Social Responsibility Performance”</p>	<p>Enterprise Technology Center of Beijing Selected as the “2021 Pilot and Demonstration Project for the Development of Big Data Industry” by the Ministry of Industry and Information Technology</p>	<p>Selected as the “The First Batch of National Demonstration Enterprise of Supply Chain Innovation and Application” by the Ministry of Commerce, the Ministry of Industry and Information Technology, the Ministry of Ecology and Environment, the Ministry of Agriculture and Rural Affairs, the People’s Bank of China, the State Administration for Market Regulation, the China Banking and Insurance Regulatory Commission, and the China Federation of Logistics and Purchasing</p>
<p>Selected into the “Top 10 Practice Cases of Big Data” of China International Big Data Industry Expo by the Ministry of Industry and Information Technology, the National Development and Reform Commission, and the Cyberspace Administration of China</p>	<p>Selected as the “2020 Pilot and Demonstration Project of Industrial Internet” by the Ministry of Industry and Information Technology Selected as the “2019 Pilot and Demonstration Project for Integrated Development of Manufacturing Industry and Internet” by the Ministry of Industry and Information Technology</p>	<p>First batch of initiators of the Digital Transformation Partnership Campaign jointly launched by the National Development and Reform Commission and other 16 relevant units</p>

Social Responsibility Performance

We have constantly improved corporate governance, and guaranteed sound and healthy corporate development, aiming at creating sustainable economic benefits. We have attached importance to the impact of corporate operations on environment, increased investment in environmental protection, and pursued green development. We have actively fulfilled social responsibilities, created value for the society and benefits for the public, and established the responsible “corporate citizen” image.

Performance indicator	Unit	2021
Economic performance		
Total operating revenue	RMB10,000	3,722,979
Total profits	RMB10,000	93,262.65
Total assets	RMB10,000	952,882.03
Total taxes	RMB10,000	26,779.55
Earnings per share	RMB yuan	1.68
Total investment in R&D	RMB10,000	11,212.73
Accumulative number of patents	Piece	35
Environmental performance		
Total greenhouse gas emissions	Ton of CO ₂ e	383.10
Direct greenhouse gas emissions (Scope 1)	Ton of CO ₂ e	0.10
Indirect greenhouse gas emissions (Scope 2)	Ton of CO ₂ e	383
Greenhouse gas emission density	Ton of CO ₂ e per capita	0.38
Comprehensive energy consumption	Ton of standard coal equivalent	81.06
Fresh water consumption	m ³	4,604
Society performance		
Total number of employees	Person	1,019
Total number of employees participating in trainings	Person	1,002
Total number of suppliers	Nos.	2,132

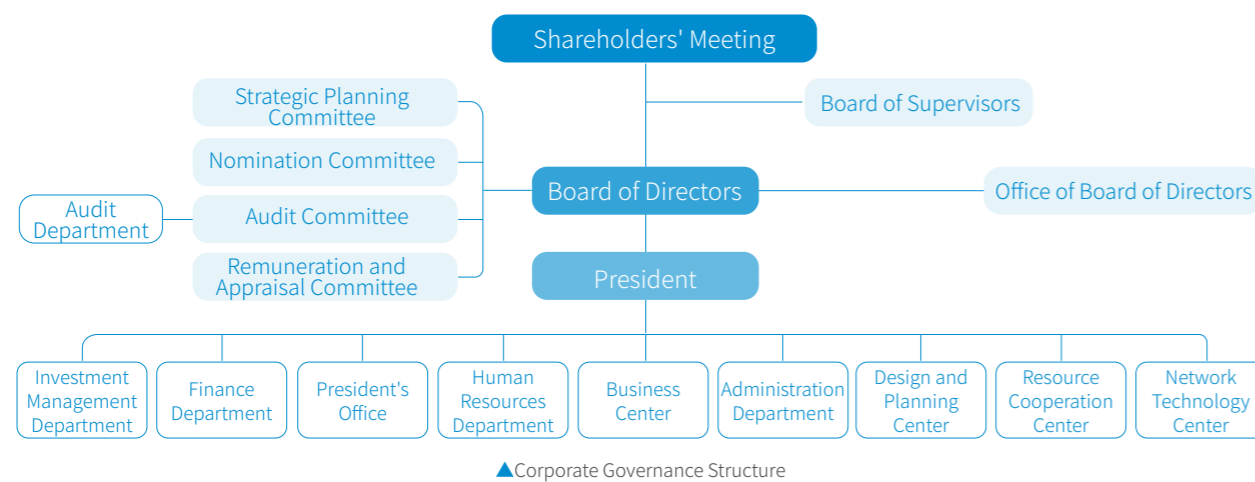
Sustainability Management

Beijing United constantly improves corporate governance systems, so as to future enhance the important foundation for sustainable development of the Company. Insisting on the industrial concept of promoting digital integration of industrial Internet and using data service to lead industrial Internet services, the Company is committed to building perfect supply chain to support innovative development of real economy, and strives to implement the sustainable development idea.

Corporate Governance

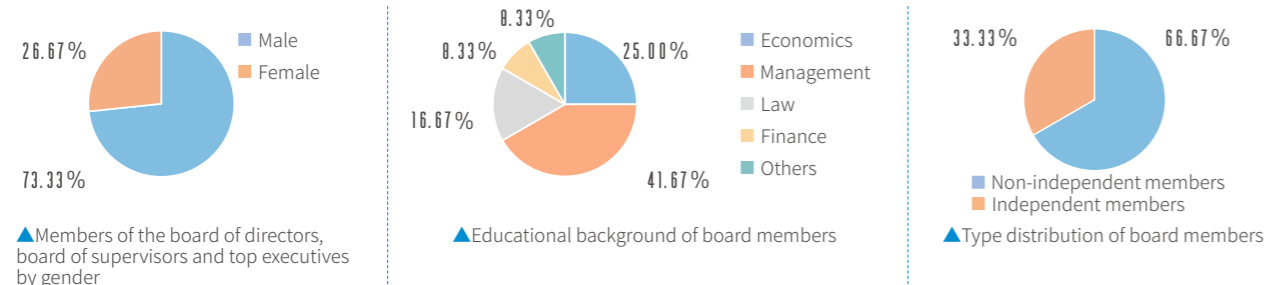
Corporate Governance

The Company strictly abides by the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidance for the Articles of Listed Company, and other laws and regulations, and constantly optimizes corporate governance structure. The shareholders' meeting, board of directors, and board of supervisors of the Company fulfill their own responsibilities and duties, and forms the governance regulations and management systems which clearly clarify the duties and responsibilities of the power body, policy-making body, supervising body and managerial personnel, and under which all these organs fulfill their own duties and supervise and restrict each other, and the operations are in a coordinated manner. The Company has formulated the Articles of Association, the Rules of Procedure of Shareholders' Meeting, the Rules of Procedure of Board of Directors, and other rules, regulations, and administrative measures to continuously enhance the corporate governance.



Board Diversification

We take active measures to implement and promote the diversity policy of board of members. In the selection of board member candidates and appointment of board members, the nomination committee takes diversity factors into account such as gender, culture, educational background, and length of service in light of the Company's business model and specific needs.



Risk Management

The Company has established risk management and internal monitoring systems, and formulated the Risk Control and Management Regulations and other management rules and regulations. It takes initiative to conduct total risk management work, assesses and continuously supervises the effectiveness of various systems in a regular manner, so as to promote sustainable, stable, and healthy corporate development.

During the reporting period, the main risks involved in the Company were, among others, strategic risk, market risk, operation risk, financial risk, and legal risk. The Company took risk avoidance, risk reduction, risk sharing, risk tolerance, and other countermeasures to effectively prevent and control risks.

Business Ethics and Anti-Corruption

Adhering to the integrity management concept, the Company maintains the healthy operation environment, and ensures the good business order. It enhances compliance and legal management, strengthens anti-corruption and integrity building, strictly enforces disciplines, regulates the professional behaviors of employees, and conducts annual anti-corruption audit in a regular manner, aiming at creating a clean and upright working environment.

Business Ethics

The Company strictly abides by the Criminal Law of the People's Republic of China, the *Company Law of the People's Republic of China*, the *Interim Provisions on Banning Commercial Bribery*, and other laws and regulations relating to the prevention of bribery, extortion, fraud and money laundering. It has formulated the *Administrative Measures for Professional Integrity Building*, and other rules and regulations, constantly improved the anti-corruption and integrity-upholding system, and enhanced day-to-day supervision. During the reporting period, there were no lawsuits relating to corruption occurred in the Company.

- Establish smooth reporting channels for corruption offences:** Establish and perfect complaints and reporting channels, set up convenient reporting approaches, and handle the complaints and reporting information in a timely manner;
- Implement information confidentiality and reward measures for whistleblowers:** The reward for whistleblowers shall be proposed by the audit department and approved the management committee, and the personal information of whistleblowers shall be kept strictly confidential;
- Conduct integrity training:** Conduct anti-corruption and compliance training and publicity activities for employees regularly, and improve the awareness of integrity of all of the staff;
- Carry out commercial corruption risk inspections, and establish effective anti-corruption management mechanisms.

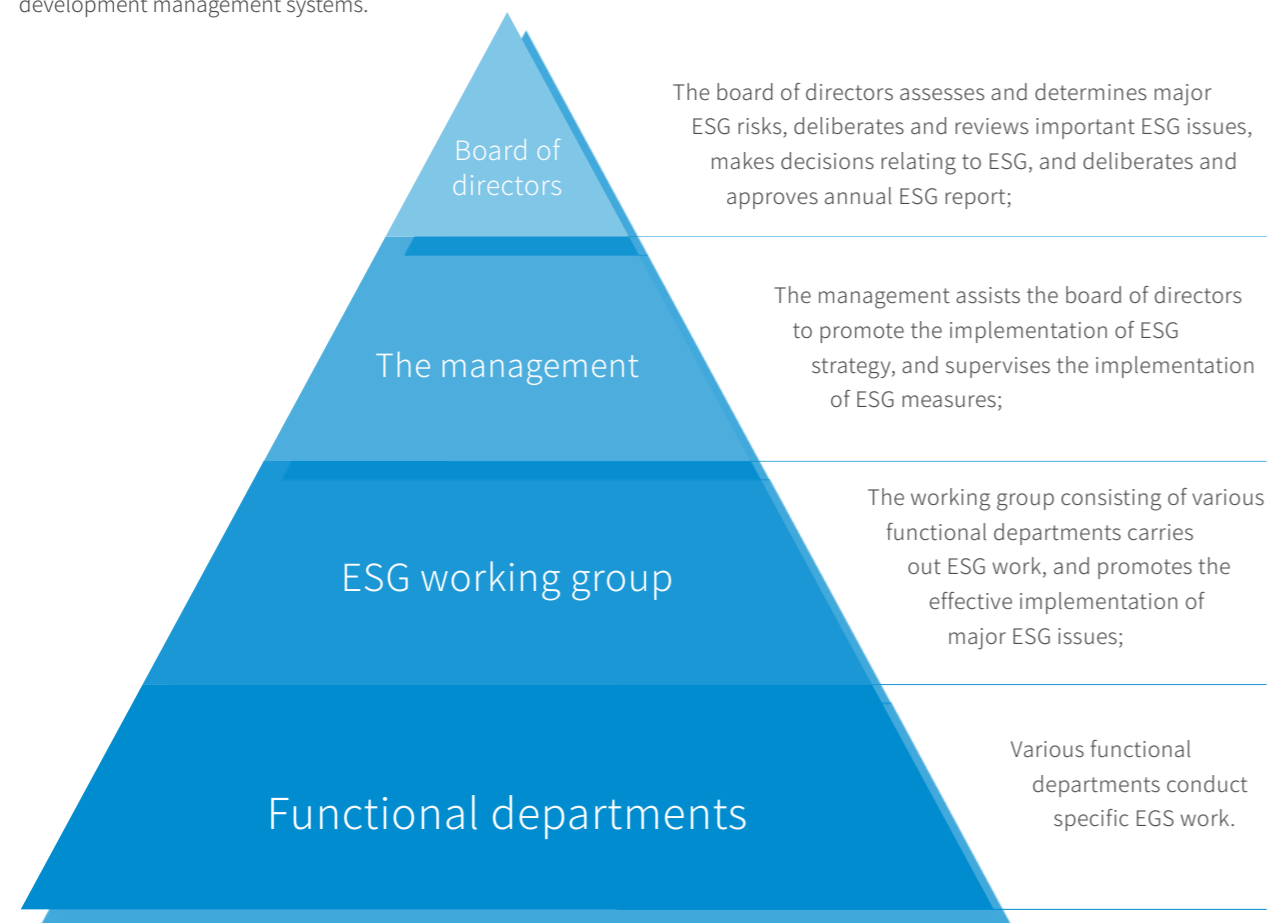
ESG Governance

The Company attaches great importance to sustainable development, constantly improves sustainable development management system, and integrates sustainable development into decision-making and corporate operations, fully enhancing the capabilities of social responsibility fulfillment. The Company pays attention to the expectations and pursuits of stakeholders, identifies and sorts out material issues, and uses diversified communication approaches and channels to respond to the demands of stakeholders, striving to achieve mutual benefits, win-win results, and common development.

ESG Management

The Company has preliminarily established ESG management mechanisms to effectively manage its performance in the aspects of environment, society, and governance. The board of directors is responsible for the making of ESG strategy and review of major ESG risks; the management promotes the implementation of ESG strategy, and supervises the implementation of ESG measures; the ESG working group conducts ESG work together with all of the functional departments, and advances the effective implementation of material ESG issues; and, all of the departments, according to their own functions, are responsible for the implementation of specific ESG work, as well as submit ESG performance and disclose ESG information in line with the relevant requirements of the year.

In order to improve the management quality of the board of directors in conducting social responsibility work, the board members receive trainings relating to sustainability regularly. Those training activities have enhanced the perception of board members on sustainable development and ESG issues, and facilitated to the establishment of effective and normalized sustainable development management systems.



▲ ESG Management System

Communication with Stakeholders

The Company insists on taking diversified communication mechanisms to establish close relations with stakeholders, and conducts frequent and extensive exchanges with stakeholders through its official website, WeChat official account, Weibo official account, and so on. In the preparation process of ESG report, the Company takes initiative to collect and solicit important issues concerned by stakeholders, and integrates those issues into the corporate decision-making process.

Stakeholder	Expectations and demands	Communication and response channels
Government and regulators 	<ul style="list-style-type: none"> Information security and privacy protection R&D and innovation Service quality Protection of customers' rights and interests 	<ul style="list-style-type: none"> Daily reporting and communication Special topic investigation and research Forums and exchange activities Information disclosure
Shareholders and investors 	<ul style="list-style-type: none"> Corporate governance and risk management Operation performance Return on investment 	<ul style="list-style-type: none"> Shareholders' meeting Information disclosure Communication and interaction with investors
Employees 	<ul style="list-style-type: none"> Training and development Rights, interests, and benefits guarantee physical and psychological health guarantee 	<ul style="list-style-type: none"> Employee training Recreational and sports activities for employees Appealing and reporting mechanism
Suppliers 	<ul style="list-style-type: none"> Business ethics Compliance operation Mutual benefits and win-win results 	<ul style="list-style-type: none"> Assessment and procurement Strategic cooperation negotiation Exchanges and mutual visits
Customers 	<ul style="list-style-type: none"> Service quality Privacy protection IPR protection Digital technology service 	<ul style="list-style-type: none"> Customer satisfaction survey Platform information security system Customer complaint handling
The public 	<ul style="list-style-type: none"> Community development Public welfare Environmental protection 	<ul style="list-style-type: none"> Community activities Staff volunteer activities Pandemic assistance Support for rural revitalization

Material Issue Analysis

In order to respond to the concerns of stakeholders, we analyzed the major ESG issues, and determined the material issues greatly affected us and extensively concerned by stakeholders through two dimensions of “importance of economic, environmental, and social impacts” and “influence on stakeholders' assessment and decisions”. We then made issue management and disclosure strategies in line with the analysis results.

Identification

Sort out relevant standards both in China and abroad:

- ▶ ESG Reporting Guide
- ▶ CASS-CSR 4.0
- ▶ GRI Standards
- ▶ SDG Compass
- ▶ Ten Principles of the UN Global Compact

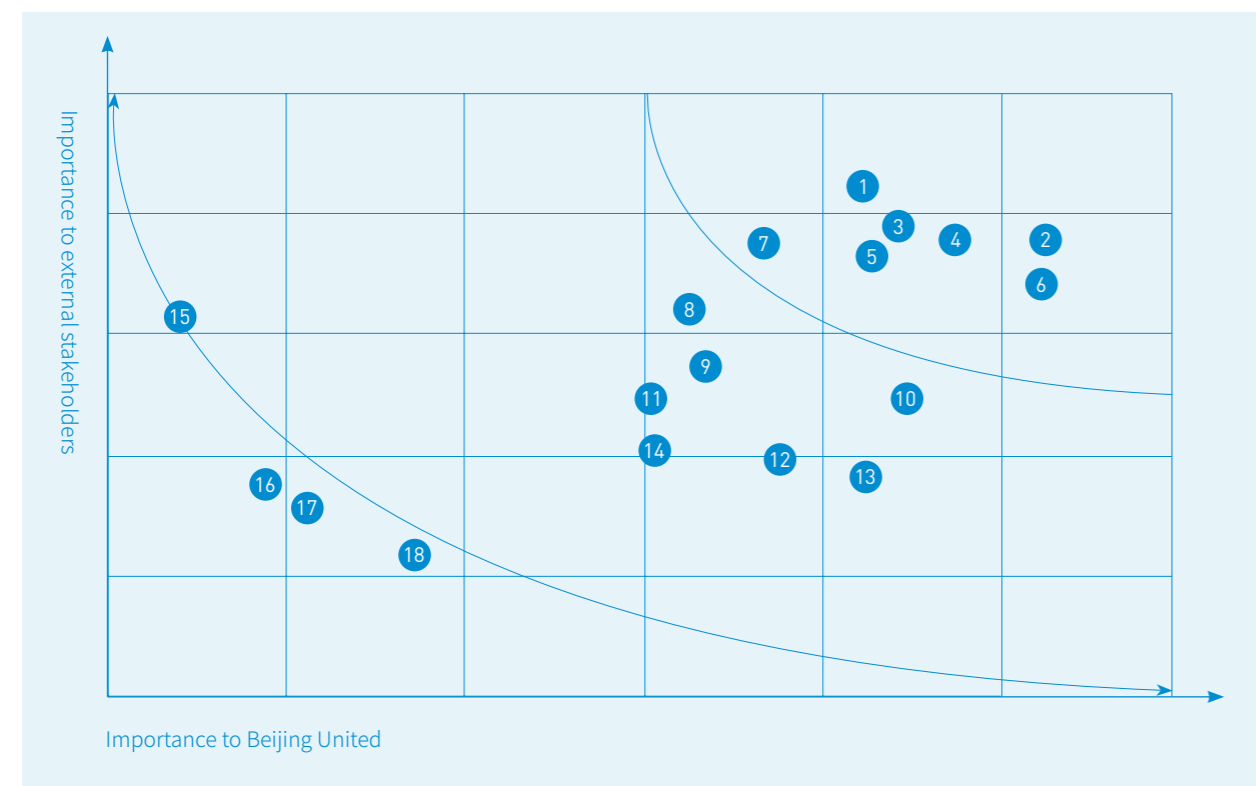
Interpret macro policies and hot industrial policies in a deep-going way, and clarify policy orientation and corporate strategic development direction.

Assessment

Through online questionnaire survey, we conducted special investigation and research on the influence of sustainable development issues on stakeholders. With reference to industry practice, we assessed the impact of each issue on the Company through a team consisting of internal and external experts.

Disclosure

We constructed material issue analysis matrix (see details below) in line with issue assessment results. Those issues were disclosed in this report according to their importance.



▲ Material issue matrix

Importance degree	No.	Issue
Very important	1	Customer service
	2	Technology innovation
	3	Supply chain management
	4	IPR protection
	5	Board's ESG governance
	6	Risk identification and management
	7	Product safety and quality
Important	8	Employment, remuneration, and rights and interests of employees
	9	Occupational health and safety
	10	Tackling of climate change
	11	Business ethics and anti-corruption
	12	Employee training and development
	13	Employee care
	14	Public welfare and charity
Somewhat important	15	Communication with stakeholders
	16	Environment and natural resources
	17	Emissions management
	18	Utilization and use efficiency of energy resources

01



Implementing Green & Low-Carbon Idea and Promoting Ecological Progress

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Implementing Green & Low-Carbon Idea and Promoting Ecological Progress

The Company actively responds to the national goals of peaking carbon dioxide emissions before 2030 and achieving carbon neutrality before 2060, insists on sustainable development concept, and integrates the concept into various aspects of corporate operations and management. As an industrial Internet enterprise, the Company gives full play to the platform advantages, and takes initiative to boost green and low-carbon development of industrial chain while focusing on sustainable operations.

Conducting Green Operations

The Company organically integrates ecological progress into corporate operations and management, and constantly refines environmental management systems. It has set up an environmental management department, and formulated waste management system, energy management system, and other relevant systems, continuously improving solid waste management level and persistently enhancing energy-saving and consumption reduction capabilities. It fully fulfills environmental responsibilities, and strives to achieve low-carbon and environmentally-friendly development.

Emissions Management

Based on the Company's business characteristics, the main emissions involved in corporate operations are solid waste. In terms of solid waste management, the Company strictly abides by the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and other laws and regulations, and has formulated *the Emissions Management Regulations* in accordance with its own practical characteristics. A dedicated department has been set up to implement, manage, and supervise the system. In day-to-day corporate operations, the Company enhances solid waste management in all aspects, so as to reduce the amount of waste generated in the process of conducting business. It also regulates the disposal process for hazardous and non-hazardous waste, takes different methods to recycle different waste, and guides employees to classify domestic waste voluntarily and scientifically, aiming at reducing the environmental load resulting from corporate operations.

Specific measures adopted by Beijing United for solid ¹waste management:

- ▶ The recyclable waste is classified and sorted by each department of the Company, and then delivered to the logistics department, which is responsible for waste collection and selling; the non-recyclable waste is collected and then transported to local environmental sanitation and management stations.
- ▶ Exhausted batteries, used fluorescent tubes, waste toner cartridges, and other waste are collected in a centralized manner, and then disposed according to compliance rules.

¹Solid waste mainly refers to domestic waste

Energy Resource Management

The Company effectively implements the *Energy Conservation Law of the People's Republic of China*, and other laws and regulations, and constantly improves energy resource management systems. Taking energy-saving and consumption reduction as the starting point, the Company has formulated the *Energy Management Regulations*, and *the Green Office Management Regulations* to effectively implement the regular inspection systems, and to promote the rational and efficient use of energy and resources.

The Company has set up a leading group for energy management, which carries out the energy management work in a unified manner. The leading group develops and reviews relevant systems, plans, and rewards and punishments measures, implements and supervises the energy conservation work, conducts energy statistics and analysis, and enhances energy use management by establishing and implementing post responsibility system. Through day-to-day publicity and promotion, regular inspection, real time supervision, and other energy-saving measures, the leading group strives to reduce energy loss and waste in various links such as energy purchase, energy transformation, and energy consumption, and further improves the energy conservation awareness of employees.

Specific measures adopted by Beijing United for energy management:

Electricity conservation	<ul style="list-style-type: none"> ○ Effectively control the on/off time of major power consuming equipment, improve load rate, and reduce unit power consumption; ○ Control the on/off time of power devices in office and public areas, and the power consumption of lighting facilities must comply with relevant regulations; ○ Strictly control the distribution, use and recycle of electric heaters and fans; ○ Give priority to power-saving and energy-saving recyclable products and equipment when purchasing; ○ A special department is responsible for the management of the Company's power supply and consumption, formulating measures to save power, as well as rewards and punishments methods, supervising and inspecting the power consumption of each workshop and various departments.
Water conservation	<ul style="list-style-type: none"> ○ Encourage all employees to participate in water-saving activities, to use non-phosphate detergent, and to protect water sources, and improve the water-saving consciousness of employees; ○ Special personnel are appointed to conduct inspection and maintenance of water mains and faucets regularly, reduce water waste, and save water resources; ○ Conduct statistics, management and supervision of overall water use in strict accordance with relevant national regulations.
Paper conservation	<ul style="list-style-type: none"> ○ Advocate double-sided use of paper, reduce the number of copies, and set up "office paper recycling bins" to reduce paper consumption; ○ Strictly implement the registration system of office supplies; ○ Promote e-office practices, and advocate the use of recyclable items.

Table: Energy use performance of Beijing United in 2021

Energy sources	Unit	2021
Total electricity consumption	MWh	655.93
Gasoline consumption	Liter	32,521
Diesel consumption	Liter	0
Natural gas consumption	m ³	0
Comprehensive energy consumption	Ton of standard coal equivalent	81.06
Comprehensive energy consumption per capita	Ton of standard coal equivalent per capita	0.08
Fresh water consumption	m ³	4,604
Water consumption per capita	m ³ per capita	4.52



Tackling Climate Change

To tackle climate change, the Company actively responds to the national strategy of hitting peak emissions before 2030 and for carbon neutrality by 2060, implements green idea in the aspects of greenhouse gas emissions and application of industrial chain technologies, promotes the transformation of additional energy management and consumption models in an orderly manner, and reduces greenhouse gas emissions. It takes initiative to develop data processing technologies such as energy and digital automation technology to help promote low-carbon transformation of industries. It uses practical actions to effectively implement sustainable development idea, foster high-quality development, and strives to achieve carbon neutrality in the process of corporate operations.

Enhancing greenhouse gas emissions management

Taking energy-saving and consumption as starting point, the Company takes various measures to achieve effective and rational use of energy resources, so as to comprehensively reduce greenhouse gas emission, and helps boost the capabilities of tackling climate change. The Company also integrates greenhouse gas emissions management into day-to-day corporate work, extensively use new equipment and new materials featuring energy conservation, reduces the operations of air conditioning systems under suitable weather conditions, and utilizes natural wind to help manage and control the indoor temperature. Greenhouse gas emissions resulted from corporate operations have been reduced, aiming at achieving low-carbon and green development.

Promoting low-carbon transformation of industrial chain

The Company accelerates the R&D and application of green and low-carbon technologies, and promotes green development model and green lifestyles, striving to protect and improve the environment. In 2021, the Company was committed to advancing green transformation of industrial layout, space structure, energy mix, and transaction structure by using new generation information technology, further promoting the in-depth application of big data technology in supply chain, transaction platform and service model, improving digital governance level, and aiming at achieving high-efficient operations and low environmental load simultaneously.

Empowering supply chain: The Company constructs digital supply chain, and builds smart transportation platform, cloud warehousing platform, and digital port, aiming at achieving smart logistics, digital warehousing, and CA delivery;

Upgrading transaction platform: Based on the scale transactions at Duoduo platforms, in-depth supply chain, and cloud-based factories, the Company constructs “Digital Factory + PTDCloud Industrial Internet” through ibisaas.com, striving to realize production digitalization, management digitalization, quality inspection digitalization, energy consumption digitalization, and logistics digitalization;

Optimizing service model: The Company constructs remote work and sales cloud systems, realizes integration of live streaming, videoconferencing, and Cloud VR, and fosters SaaS service ecosystem.

Table: Greenhouse gas emissions performance of Beijing United in 2021

Emissions	Unit	2021
Direct greenhouse gas emissions (Scope 1)	Ton of CO ₂ e	0.10
Indirect greenhouse gas emissions (Scope 2)	Ton of CO ₂ e	383
Total greenhouse gas emissions	Ton of CO ₂ e	383.10
Greenhouse gas emission density	Ton of CO ₂ e per capita	0.38

02



Putting People First and Boosting Diversified Development

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Putting People First and Boosting Diversified Development

Talent is the core competitiveness of an enterprise. Beijing United, always being people-oriented, attaches primary importance to stabilizing the staff team, protecting the legitimate rights and interests of employees, and building harmonious labor relations. We pursue diversified development of the staff, improve the staff training system, create a favorable working atmosphere, fully mobilize the enthusiasm and creativity of talents, and provide a stage for every employee to create personal value and realize their dreams.

Guaranteeing Rights and Interests of Employees

The Company strictly abides by *the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China*, and other laws and regulations, closely associates the interests of employees with those of the enterprise, provides equal employment opportunities for employees, optimizes salary incentive programs, protects the occupational health and safety of employees, and safeguards the legitimate rights and interests of employees, so as to build harmonious and stable labor relations.



Equal Employment

The Company follows the principle of "openness, fairness, and equity", strictly implements laws and regulations such as *the Provisions on Prohibition of Child Labor and the Regulations on Special Protection for Underage Workers*, and opposes discrimination in any forms. If such incidents are discovered, the company will conduct strict investigations and severely punish those involved. We have formulated internal regulations such as *the Recruitment and Employment Management Regulations and the Performance Management Regulations* to effectively protect and safeguard the legitimate rights and interests of employees. As of the reporting period, the total number of employees of the Company was 1,019, and the labor contract signing rate was 100 percent. During the reporting period, no cases of child labor or forced labor occurred.

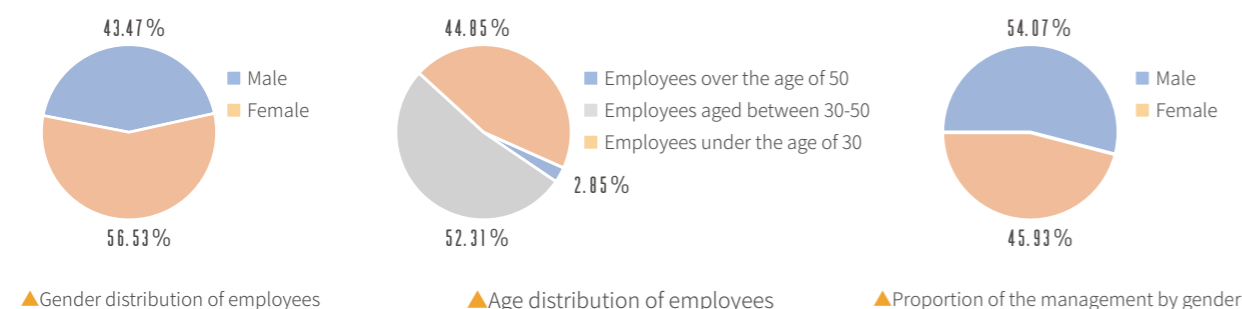


Table: Employee performance of Beijing United in 2021

Indicator	Unit	2021
Total number of employees	Person	1,019
Number of contract employees	Person	1,019
Number of dispatched employees	Person	0
Number of male management staff	person	113
Number of female management staff	person	96
Turnover of employees	%	10.89
Turnover of male employees ²	%	13.33
Turnover of female employees ³	%	9.03

²Turnover of male employees=Total number of male employees who leave the Company/Total number of male employees

³Turnover of female employees=Total number of female employees who leave the Company/Total number of female employees

Remuneration and Benefits

The welfare and benefits provided by the Company include those implemented in accordance with national regulations and those set according to the enterprise's own conditions. During the reporting period, the Company further improved the assessment and incentive mechanism. Linking the contribution of employees with the remuneration, we formulated the *Performance Wage Assessment Regulations and Employee Benefits Regulations* to form a perfect remuneration and welfare system, which has effectively enhanced the vitality and competitiveness of human resources, and strongly promoted the sustainable and healthy development of the Company.



"Five Insurances and One Housing Fund"

Pension (endowment insurance), medical insurance, unemployment insurance, maternity insurance, work injury insurance, as well as the housing provident fund.



Training

On-the-job or short-term off-job training, company-supported further education programs, etc.



Subsidies

Travel subsidy, communication subsidy, staff dormitory, employee assistance fund, wedding gift, children education assistance allowance, etc.



Physical examination

Organize regular physical examination for employees.



Vacation, paid time off, and holidays

National holidays, marriage leave, maternity leave, sick leave, funeral leave, work-related injury leave, statutory annual paid leave.

▲ Remuneration and benefits system of Beijing United

Fostering Employee Growth

The Company insists on the principles of “need-based training, pragmatic learning, and emphasis on benefits”, and improves the staff’s ability and professionalism through flexible and diversified training and learning activities. With the implementation of a new selection and employment mechanism, we select and hire managers according to positions, so that all kinds of talents can give full play to their potential in suitable positions, thus promoting the improvement of management effectiveness.



Employee Training

In order to improve the overall quality of the staff and to realize the standardization and institutionalization of staff training, the Company has formulated the *Measures for Staff Skills Training Management*. In 2021, the Company carried out rich and comprehensive staff training activities, including induction training for new employees, experience exchange sessions, team co-creation activities, and special training programs carried out on each platform for different needs of skills, so that employees and the enterprise can grow together.

Diversified training types

We have vocational skill trainings that strengthens employees’ theoretical knowledge and practical skills, induction trainings for new employees or transferred employees before they start new jobs, and regular on-the-job trainings for new projects and other practical businesses, so as to constantly update knowledge, improve professional and technical quality of employees, and continuously cultivate composite talents.

Rich training contents

We provide competency-based trainings to expand employees’ knowledge, enhance their ability to work, and improve work efficiency; reserve talent trainings to meet the company’s demand for continuous development; and trainings on cultural systems to implement new or improved corporate culture and management systems, so as to meet multifaceted, multi-level, and multi-disciplinary demands.

Table: Employee training performance of Beijing United in 2021

Indicator	Unit	2021
Total number of male employees participating in training	Person	438
Total number of female employees participating in training	Person	564
Coverage of employee training	%	98.33
Coverage of training for male employees	%	98.87
Coverage of training for female employees	%	97.92
Coverage of training for ordinary staff	%	97.90
Coverage of training for management staff	%	100
Total training hours for employees	Hour	128,100
Total training hours for male employees	Hour	55,880
Total training hours for female employees	Hour	72,220
Average training hours for male employees	Hour	127.58
Average training hours for female employees	Hour	128.05



▲ Effective communication program conducted by lydodo.com to improve the communication skills and abilities of employees



▲ Joint creation activity themed “Focus” conducted by boododo.com and feidoodoo.com to enhance the cooperative abilities and teamwork spirit of employees

Talent Development

In order to attract more outstanding talents, stimulate the enterprising spirit of the staff, and continuously improve their business ability and quality, the Company has formulated the *Promotion Management Regulations*, established a systematic talent development mechanism, and set up diversified staff development channels so as to provide multi-level training programs and development opportunities for talents, strive to broaden the development space for employees, explore their potential, and motivate them to show their better selves in work.

Enhancing Employee Care

In order to ensure employees to enjoy physical and psychological health, work happily and have a positive attitude toward life, the Company strives to create a harmonious, healthy and comfortable working environment, provide employees with support according to the actual situations, and hold diversified group activities regularly, so that employees can feel the charm of life after work and face work and life with the most positive and energetic mindset.

Health and Safety

The Company attaches great importance to the health and safety of employees and strives to create a safe, healthy and comfortable working environment. We have formulated the *Occupational Health and Safety Management Program*, according to which we will buy personal accident insurance for regular employees who travel and frequently work outside and arrange medical checkups in a regularly manner to prevent occupational diseases and cervical spondylosis and promote the physical and psychological health of employees; in terms of working environment, we pay attention to fire prevention, electricity and transportation. In 2021, no major safety accidents and personal injuries occurred in the Company, and the incidence of occupational diseases was zero.

Fire safety	<ul style="list-style-type: none"> ○ The operation of equipment and facilities should be regularly checked with records being kept. ○ Power supply and electric circuit of each department should be self-checked to ensure that power is off when people leave. ○ The effectiveness of fire extinguishers should be checked while cooperation with the property management office be ensured to check the firefighting facilities.
Electricity safety	<ul style="list-style-type: none"> ○ It is strictly prohibited to install and dismantle electrical appliances and equipment in the office, and those who have such demand should send requests to the professional personnel.
Transportation safety	<ul style="list-style-type: none"> ○ The <i>Vehicle Management Regulations of Beijing United Information Technology Co., Ltd.</i> should be strictly implemented through strengthened inspection and supervision. ○ Through reasonable scheduling of vehicle operation, fatigue driving should be strictly prohibited while traffic rules be abided to reduce violations and infringements on the relevant rules and regulations. ○ Vehicle maintenance should be strengthened to strictly prohibit faulty vehicles from the road.

Employee Assistance

The Company has established a regular assistance mechanism and set up a special assistance fund to help employees and their families in difficulty. We regularly visit employees or their families who are hospitalized due to illness or injury, support the education of employees' children, and help them solve economic and medical problems, showing the humanistic care and responsibilities of the Company, which enhance the cohesion and centripetal force among the employees.



▲ Special assistance fund for employees set up by Beijing United

Balance the work and life of employees

In order to relieve the employees' pressure at work, enrich their life, and enhance their sense of belonging to the Company, we hold diversified staff activities and carry out team building regularly. In 2021, the Company organized activities such as "Parent-Child Open Day" "June 1 Children's Day" walking, outdoor team building activities, which effectively enhanced the team's vitality and let employees enjoy a good life while working happily.



▲ "IBI Parent-Child Open Day" activity held by Beijing United to let employee enjoy good times with their children



▲ "June 1 Children's Day" activity held by Beijing United to let employees enjoy the warmth of family



▲ "Great Journey" -- Celebrations for the centenary of the founding of the CPC

03

Insisting on Digitally-Driven Strategy and Creating Shared Value

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Insisting on Digitally-Driven Strategy and Creating Shared Value

Digital technology is a new engine for high-quality economic development and social progress. Based on the strategic positioning of “platform, science and technology, and data”, Beijing United is making every effort to build a new digital ecosystem for industry, going deep in the construction of the digital platform and protection of customers' rights and interests, and continuously improving service quality to meet the needs of e-commerce, smart supply chain, digital factory and industrial Internet, so as to promote the realization of a win-win industrial chain.

Building High-Quality Platform

With the rapid development of the digital economy, the Company continuously increases investment in scientific research, and improves the innovation mechanism. We have established a team of scientific and technological talents to create a cloud service ecosystem, launched a series of valuable technical services for small- and medium-sized enterprise users, and provided a one-stop digital service platform for enterprise management to accelerate digital transformation and promote industrial upgrading.

Digital Technology Innovation

Starting from customer needs, the Company strengthens innovation management, and makes active efforts to build service platforms, continuously improve research, design and development capabilities, strive to enhance independent innovation capabilities, and elevate the innovation status of the enterprise.

● Enhancing Independent Scientific Research

The Company insists on the core of “platform-based service, technology-driven development, and data support” and has formulated, among others, the *Regulations on the Management of Enterprise Technology Center*, the *Regulations on New Product R&D Assessment and Rewards*, the *Regulations for the Supply Chain Innovation and Application Management Center* to encourage employees to participate in technology improvement and innovation, actively promote the transformation and application of technology R&D results, and improve the platform service capability and the depth of service. As of the reporting period, the Company had obtained 35 patents accumulatively, applied 11 new patents, and owned 705 software copyrights.

● Increasing Investment in Talent Team

The Company actively cultivates and introduces talents for product and technology R&D, and establishes an innovative talent incentive system and a talent team planning system in accordance with the requirements of “greater efforts, reinforcement, breakthroughs in major fields, and comprehensive advancement”, so as to lay the foundation of talents for the successful realization of the strategic objectives of the enterprise.

At the same time, the Company constantly improves the talent training system by establishing training mechanism, retention mechanism and incentive mechanism, and forms an atmosphere of learning, catching up and surpassing within the enterprise to promote the continuous growth of talents. The Company persists in establishing cooperation relationships with colleges and universities to continuously improve the project R&D system, build a training base for reserve technical talents, and accumulate technical strength through lectures from working professionals, project cooperation, internship training, and so on. As of the reporting period, the Company has 416 scientific and technological innovation talents, accounting for 40.82 percent of the total number of employees.

Digital Technology Application

Industrial Internet platform is an important driving force for the digitalization of traditional industries. The Company is committed to promoting cost reduction and efficiency increase in the real economy through industrial digitalization, solving the difficulty in selection and adaptation and high implementation cost of digital tools in the process of digitalization of traditional enterprises, and continuously promoting the integration and development of traditional enterprises and digitalization.

● Online Information

As the Company's industrial information service platform, ibicn.com provides information online, including yellow pages data, bidding information, product information and other services, and promotes the digitalization of industrial processes, establishment of digital platform, capitalization of the platform and securitization of capital so as to make the innovative development of industrial Internet more sustainable. In addition, through industrial big data mining, analysis and application, the Company innovates and develops data products and industrial Internet services to promote the innovative development of the real economy.

● Smart Platform

As the Company's industrial e-commerce platforms, the Duoduo platforms actively promotes the construction of the third-party e-commerce service system of “direct transaction + online payment + production and financing technology + smart logistics”, strives to build the innovative operation model of “factory flagship store + brand store”, and continuously drives the integration and application of new technologies. Besides, relying on the Company's technology accumulation and platform system R&D, the Duoduo platforms provides free supply chain SaaS services such as cloud ERP, logistics sharing system, retail distribution sharing system, electronic contract and online payment for upstream and downstream customers in the industry, forming an advantage in digital service for the real economy.

Beijing United included into first batch of national demonstration enterprises of supply chain innovation and application

Case

In March 2021, the Ministry of Commerce, the Ministry of Industry and Information Technology, the Ministry of Ecology and Environment, the Ministry of Agriculture and Rural Affairs, the People's Bank of China, the State Administration for Market Regulation, the China Banking and Insurance Regulatory Commission, and the China Federation of Logistics and Purchasing jointly issued the *Notice on Establishing Demonstrations of National Supply Chain Innovation and Application* (Letter of Commerce Circulation [2021] No. 113), which officially launched the activity of establishing demonstrations of national supply chain innovation and application. Beijing United actively participated in the application for demonstration enterprises, and was successfully appraised among the “First Batch National Demonstration Enterprises of Supply Chain Innovation and Application” in May 2021, which helped the Company grasp the strategic opportunity of the deep integration of supply chain with Internet, Internet of Things, cloud computing and big data, and enhanced the supply chain service foundation and technology-driven advantages.

No.	Name of Enterprise
1	Beijing Jingdong Century Trading Co., Ltd.
2	State Grid Corporation of China
3	Beijing United Information Technology Co., Ltd.
4	China Resources Pharmaceutical Commercial Group Company Limited
5	Lenovo (Beijing) Limited

▲List of the First Batch National Demonstration Enterprises of Supply Chain Innovation and Application (Part)

Digital Service

Ibisaas.com, as the Company's digital technology service platform, by building "Digital Factory + PTDCloud Industrial Internet", realizes high-quality transformation of manufacturing enterprises to reduce costs and increase efficiency; realizes smart logistics, digital warehousing and CA delivery by building digital supply chain, smart transportation platform, cloud warehousing platform and digital port; realizes integration of live streaming, video conferencing and cloud VR by building the remote office and cloud sales system and cultivating the cloud SaaS service ecosystem. On July 30, 2021, IBISAAS Digital Experience Hall was officially opened, which aims to promote high integration between digital economy and real economy through iterative innovation and safe, reliable industrial Internet ecosystem for promotion of sustainable economic development.



▲IBISAAS Digital Experience Hall

Table: IBISAAS Digital Technology Service System

<p>Digital Factory + PTDCloud Industrial Internet Platform</p>	<ul style="list-style-type: none"> Based on the upstream and downstream digital factories of core courses of the various Duoduo platforms, the industrial Internet platform, with the platform technologies including industrial big data, Internet of Things, AI-based production and smart supply chain, aims at providing nine digital solutions for factories to achieve the digitalization of management, production, logistics, quality inspection, energy consumption, personnel positioning, visual AI, and scheduling for make-to-order production.
<p>Digital Supply Chain</p>	<ul style="list-style-type: none"> Smart transportation platform: Build an online freight platform and a "Cainiao" network for bulk logistics Cloud warehousing platform: Provide one-stop digital warehousing solutions Digital port: Build digital operation system
<p>Live streaming, video conferencing, enterprise VR, IBISAAS market</p>	<ul style="list-style-type: none"> Live streaming platform: Provide cloud-based live streaming and all-platform live streaming Remote office platform: Provide office SAAS services Enterprise VR: Realize online all-round interactive real-world viewing IBISAAS market: Build cloud service ecosystem

Digitalization of industrial chain through 100 cloud factories Case

In 2021, the Duoduo platforms of Beijing United made efforts to build 100 cloud factories in forms of "digital technology + digital factory", realizing the implementation of digital factories in, among others, Hubei and Hebei provinces. It knocked through several vertical industries such as titanium industrial chain and alcohol industrial chain, realizing digital management, digital production, digital logistics and digital energy consumption.

At the same time, based on the PTDCloud platform, the Company has built a data-driven efficient operation and management model and upgraded the production area and the central control area of Xiantao Zhongxing Electronic Materials Co., realizing remote real-time monitoring of production equipment operation, process change curve, production planning process, and so on, which help increase the networking rate of key equipment in the industrial chain by 50-70 percent, energy utilization efficiency by 5-10 percent, hazard detection rate by 30-50 percent, and operational forecast accuracy increased by 60-85 percent, while reduce logistics cost by 10-15 percent and operation cost by 20-30 percent.

IPR Protection

The Company strictly abides by the laws and regulations such as the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*, and has formulated the *Management Measures of Beijing United Information Technology Co., Ltd. for Intellectual Property Rights* and other regulations to enhance compliance in intellectual property protection. We enhance the protection of intellectual property rights by, among others, registering trademarks, registering software copyrights, applying for patents to protect our own legal rights and interests and at the same time avoid infringement of others' intellectual property rights.

The Company has set up a special department for intellectual property rights management and laid down stipulations on the right to hold intellectual property, infringement possibility analysis and the corresponding reward and punishment measures, so as to make intellectual-property-right-related activities more standardized. Meanwhile, we regularly organized trainings and knowledge popularization on laws and regulations of intellectual property rights and carried out experience exchange activities to enhance employees' ability to protect intellectual property rights.



Guaranteeing Rights and Interests of Customers

Service is the link between the enterprise and customers. The Company has established the customer-focused compliant service management idea and continuously improved product and service quality. It has improved the service system to provide more professional and more timely in-depth service before, during and after the event, aiming at offering professional service to well satisfy customers' demands.



Product Quality Control

The Company strictly abides by the *Product Quality Law of the People's Republic of China*, the *Law of the People's Republic of China on Import and Export Commodity Inspection*, and other laws and regulations. It has formulated, among others, the Post Quality Responsibility Regulations, the Product Quality Inspection Regulations, the Product Sample Observation Regulations, and the Standards and Quality Assurance Regulations to enhance product quality control and ensure all products presented on the platform can meet national product quality requirements.

In the meanwhile, the Company strictly controls suppliers, products, transportation and other related aspects to ensure its product quality can meet customer requirements and help improve customer satisfaction. The specific measures are as follows:

<p>Strict supplier selection</p>	<ul style="list-style-type: none"> ○ The Company selects qualified suppliers for cooperation, in order to control product quality at source. ○ The suppliers must provide quality test reports. Any unqualified product is forbidden for truck loading. ○ The Company works with third-party testing organizations. It takes samples from products for inspection at irregular intervals.
<p>Standardized product identification</p>	<ul style="list-style-type: none"> ○ The Company requires all products provided by the suppliers must contain identifications of product name, manufacturer, specification, main component names, corresponding content, etc.
<p>Real-time transportation tracking</p>	<ul style="list-style-type: none"> ○ The Company has developed cloud logistics tracking system, which is connected to BeiDou Navigation Satellite System. It updates current location, speed, and other related data of the transport vehicles every 10 seconds. This system can help improve transport efficiency and service level, and is also beneficial to better control transportation risks.

After-Sales Service System

To improve service quality, the Company has formulated the *After-Sales Service Management Regulations* to establish a closed-loop complaint management mechanism. It aims to accomplish win-win development between the Company and its customers through operation mechanism of beforehand prevention, in-process control, and post-event improvement.

● Credit Appraisal System

The Company keeps tracking records of its suppliers' daily performance, customer complaints, goods arrival time, and product quality, and regards these records as the basis to assess supplier's ranking. This measure is to continuously encourage the suppliers to improve their product quality, and to boost continuous improvement on service level of the Company. If any supplier's product has quality problem during transaction, the Company will impose a fine on the supplier according to the severity of the quality problem, so as to help recover customer loss and improve customer's satisfaction on the Company's product and service.

● Online Customer Service System

The Company has set up online service evaluation window and allocated personnel specially for after-sales service. It has also set up 24-hour 400 service hotline with different customer service staff to call customers for feedback on different products, so as to timely understand customer experience and solve problems encountered by customers before, during and after sales. In the meanwhile, after-sales service staff will send timely feedback of customers' problems to corresponding departments of the company, upstream suppliers, or the factories during after-sales service, helping related departments take quick response to improve.

Customer Privacy Security

The Company strictly abides by the *Tort Liability Law of the People's Republic of China*, the *E-Commerce Law of the People's Republic of China*, and other laws and regulations. It has formulated the *Customer Information Security Protection Regulations* and other related rules and regulations to establish customer management system, and clarify the responsibility system and process of information compilation, review and release. The Company has achieved all-sided improvement on the management level of customer information security and privacy protection through information security management model with specially-assigned staff on full-time position.

In the meantime, the Company has organized employees to study the *Employee Confidentiality Guide*, the *Reiteration of Related Requirements for Cleaning Documents with Secret on Office Computer*, and other confidentiality rules and regulations to enhance education on employees' sensitivity of secret disclosure prevention, and to embed confidentiality into employees' self-awareness and autonomic behaviors to effectively guarantee customer information and privacy security. As of the reporting period, the Company has never witnessed any leak or infringement of customer information.





Persisting in Responsibility Guidance and Building Win-Win Ecosystem

- 43 Supply Chain Responsibility Management
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Persisting in Responsibility Guidance and Building Win-Win Ecosystem

Synergetic development with partners lays the foundation of the Company's longevity. Beijing United has continuously strengthened supplier management and actively developed strategic cooperation to build partnership with the suppliers of mutual trust, shared responsibilities, and shared interests, aiming at boosting the construction of commercial ecosystem and the development of the industry.



Supply Chain Responsibility Management

The Company regards all suppliers as its important partners, and has devoted great efforts to creating win-win environment for industry development and realizing the creation of functions and value that customers pursue. As of the reporting period, the Company had 2,132 suppliers.

As of the reporting period, the Company had

2,132 suppliers



Supplier Management

The Company has formulated the *Supplier Management Measures* and other rules and regulations to clarify management responsibilities and process. It carries out supplier evaluation and risk identification, and strengthens closed-loop management on supply chain according to the Supply Chain Risk Management Guideline (GB/T24420-2009) and the Supply Chain Management Business Reference Model (GB/T25103-2010).



Green Procurement

We strictly adhere to green procurement concept and attach great importance to supplier's green development and performance. During procurement, we give priority to products which meet specific environmental protection requirements during the entire product life cycle and leave no harm or little harm to ecological environment with high resource utilization and low energy consumption, so as to promote the improvement of supplier's environmental behaviors and thereby to play a demonstration role and help boost green consumption in the society.

Supply Chain Ecological Cooperation

The Company has always adhered to an open and win-win attitude, and has constantly taken advantage of its own technological superiorities to strive for stable and healthy development of the enterprise. It has also established close and stable strategic cooperation with several governments to actively stimulate the collaborative, standardized, digitalized, globalized, and green development of supply chain.



Beijing United signs strategic cooperation agreement with Rizhao Municipal People's Government

Case

In May 2021, Beijing United Information Technology Co., Ltd. and Rizhao Municipal People's Government signed a strategic cooperation agreement. Both parties will develop deep collaboration on exhibitions, e-commerce, and industrial Internet in steel industry, energy and chemical industry, cross-border business, and other fields to boost the industrialized, digitalized, and intellectualized development of the industries.



▲ Signing ceremony of strategic cooperation agreement between Beijing United and Rizhao Municipal People's Government

Toodudu signs strategic cooperation agreement with China National Silk Jinzhou Chemicals Port Storage Co. on 5G-supported smart storage area project

Case

On June 22, 2021, toodudu.com and China National Silk Jinzhou Chemicals Port Storage Co. jointly held a strategic cooperation conference on a 5G-supported smart storage area project and the launch of the CA delivery system for ethanol at the Bijia Shanzhuang Hotel in Jinzhou City, northeast China's Liaoning Province. With the launch of the project, China National Silk Jinzhou Chemicals Port Storage Co. and toodudu.com will give full play to respective strengths to promote the digitalization of port storage management, delivery and test and to strengthen the building of digital operation system, providing strong support for safe, efficient storage and transportation of liquid chemicals at the port.



▲ Signing ceremony of strategic cooperation between toodudu.com and China National Silk Jinzhou Chemicals Port Storage Co.

05



Overcoming Challenges and Constructing Beautiful Homeland

- 48 Fighting Pandemic and Resuming Production through Industrial Linkage
- 50 Boosting Rural Revitalization through Digital Commerce



Overcoming Challenges and Constructing Beautiful Homeland

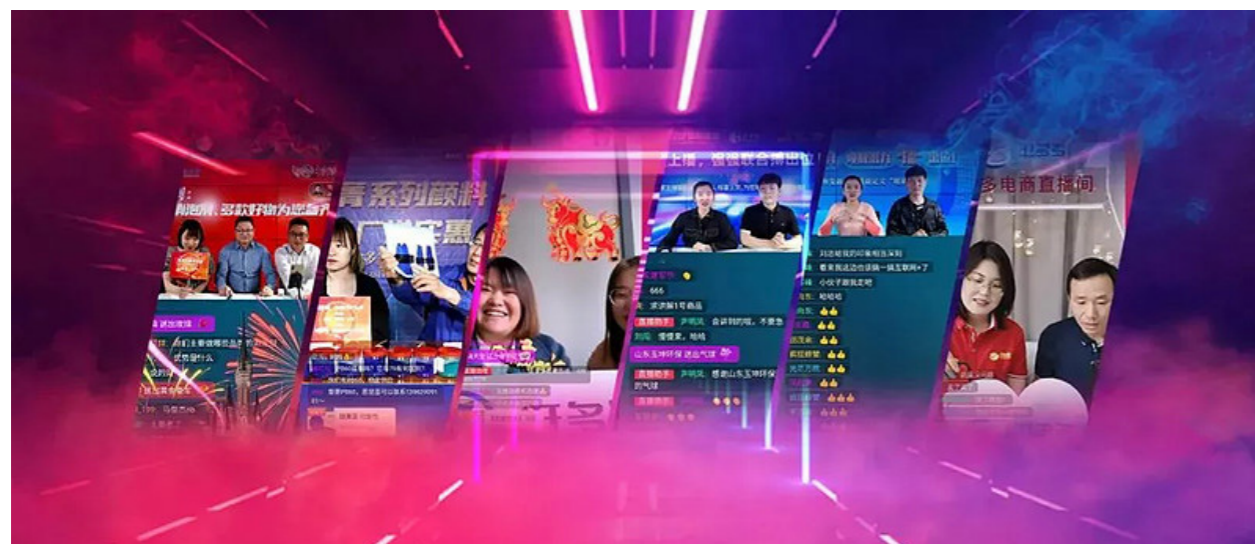
Beijing United has been actively fulfilling its social responsibilities as a corporate citizen. It gives full play to its own advantages, and has innovated public service models. It has made continuous efforts to promote public welfare, help rural revitalization, and aggregate more strength through its technological and platform advantages, so as to give back to the society with practical actions and establish good corporate image while fulfilling its social responsibilities.

Fighting Pandemic and Resuming Production through Industrial Linkage

Since the outbreak of COVID-19, the Company has fully utilized the operation advantages of its whole industrial chain and fully manifested the pivotal role of its platform. It has organized anti-pandemic material donation and anti-pandemic activities synergized with industrial chain through its supply chain resources, including platform transaction system, smart logistics system, and data analysis system. It has helped solve shortage of anti-pandemic goods and promote work and production resumption of companies in the whole industrial chain. In 2021, the Company continued to organize online industrial chain group purchase and live streaming activities. It has provided platform support service and actively attended the “Thousand Sails Program” (zgcqianfan.com) held by the Zhongguancun Science Park Management Committee to enhance the value of platform operation service and practice innovation mode of industrial e-commerce. The Company collaborated with 1,092 industrial chain enterprises to complete pandemic support, transaction support, logistics support, digital support and targeted donation with a total value of more than RMB130 million.

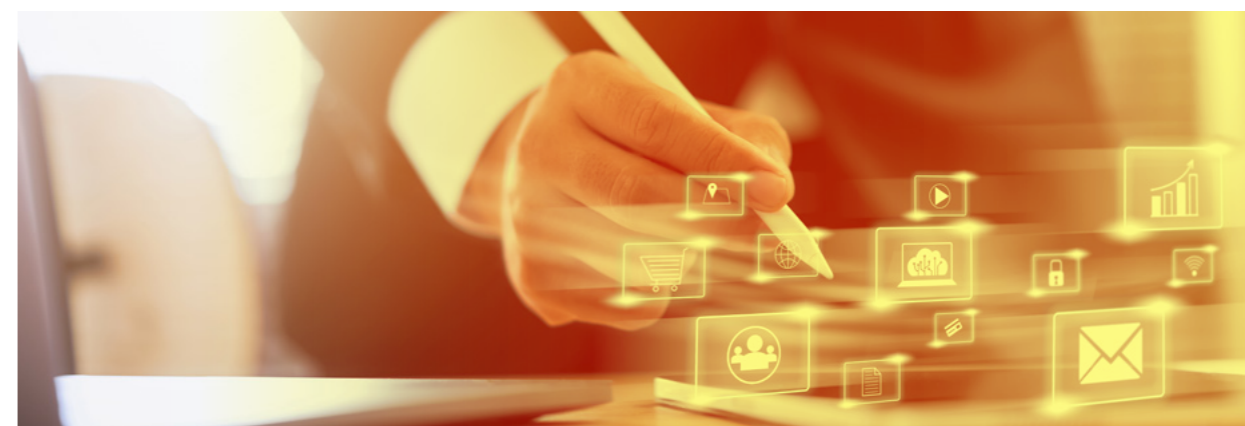
Group Purchase and Live Streaming Activities

Relying on its platform service advantages of global sourcing and smart logistics, The Company has organized industrial chain group purchase activities which can simultaneously meet the procurement needs for anti-pandemic goods and core raw materials of both upstream and downstream users in the vertical industrial chain of the platform. The Duoduo platforms have organized live streaming of industrial products, and successfully completed several live broadcasts. Those platforms have given full play to their pivotal role in industrial chain and helped drive efficient connection of industrial chain collaboration to solve the difficulties encountered by industrial chain companies in production resumption.



Platform Service and Technology Empowerment

The Company has actively provided platform service such as live streaming with free service charge and free video conferencing to help various cooperative enterprises improve their overall operation efficiency during the pandemic, and to help industrial chain enterprises return to work and production with safety and high efficiency. Platform users can enjoy full-amount fee waiver of online signature service fee and online payment withdrawal service charge. Duoduo e-commerce platform users can enjoy full-amount fee waiver of service fee in cloud ERP, cloud logistics, BeiDou system, and Ibisaas.com's industry live streaming. Based on the remote office video conferencing system of Ibisaas.com, the Company has opened free video conferencing rooms for all industrial chain enterprises. More than 500 enterprises have enjoyed more than 1,000 video conferencing rooms for free.



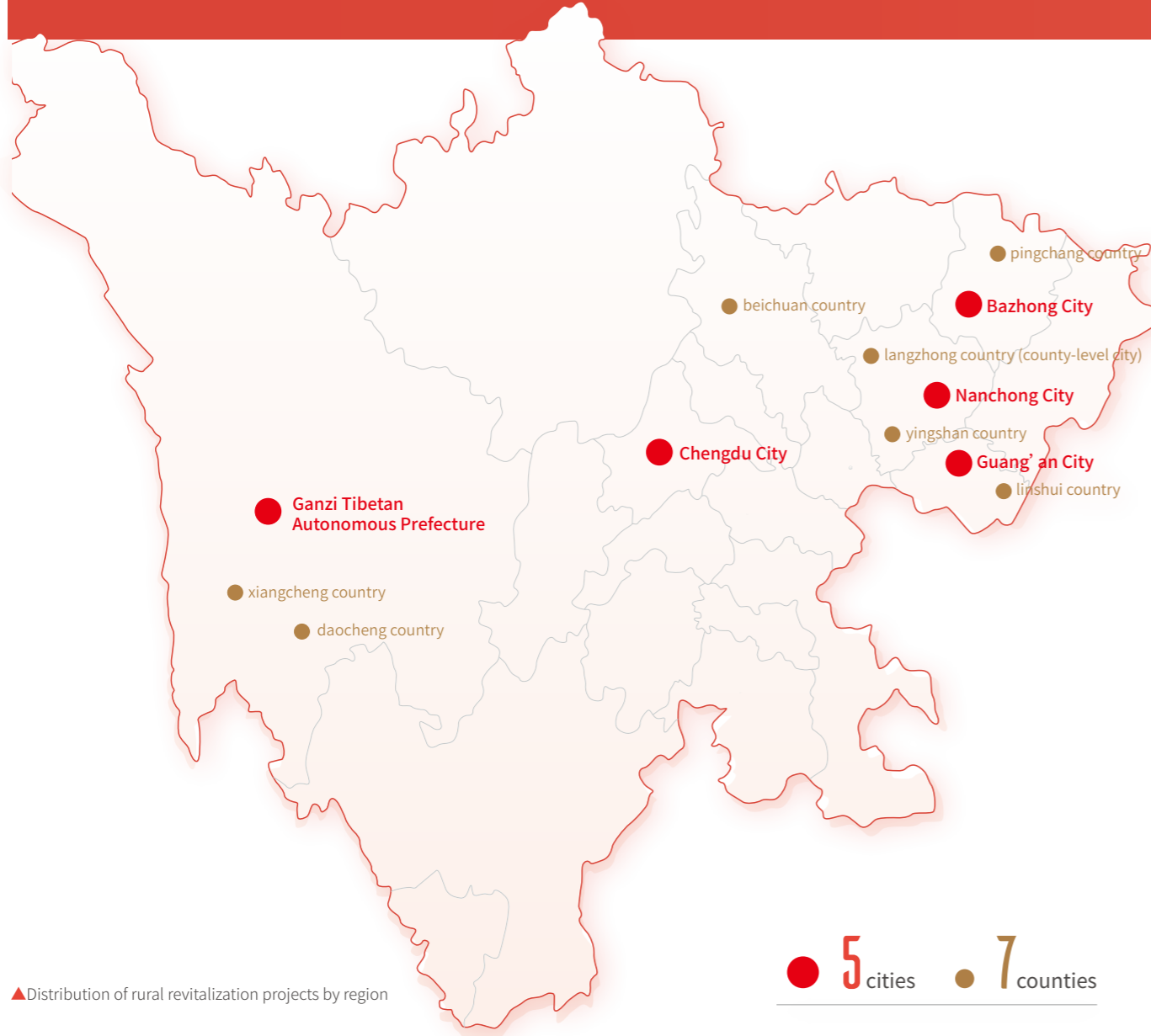
“Thousand Sails Program” and Contributions to Public Welfare

The “Thousand Sails Program” is made by the Zhongguancun Science Park Management Committee with correlated resources from related State-owned enterprises, private enterprises, foreign companies, and various entrepreneurial service institutions for resource integration and continuous service of information release, supply-demand matching, and targeted connection for the vast number of technological startups. The Company undertakes the development and operation task of online service platform for the “Thousand Sails Program” as public welfare. It has taken advantages of its platform and technological strength to promote the “Thousand Sails Program”, and has solved the outstanding difficulties encountered by small- and medium-sized technological companies, such as insufficient orders and high operation costs. The Company has made contribution to help technological startups in Zhongguancun Science Park overcome the negative influence left by the pandemic and maintain continuous development with high efficiency.



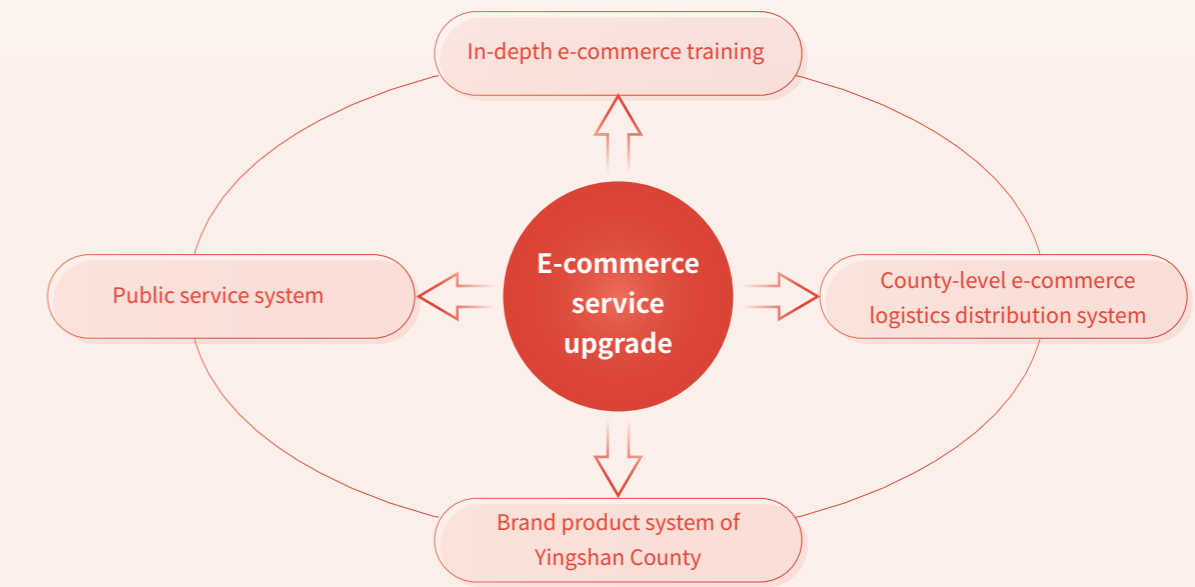
Boosting Rural Revitalization through Digital Commerce

The Company has thoroughly implemented the national rural revitalization strategy and strengthened the application of big data, blockchain, and other information technologies. It has led the transformation and upgrading of rural distribution through innovation, promoted the entrance of e-commerce into rural areas, consolidated the foundation of rural logistics facilities and equipment, and improved the public service system of rural e-commerce. The Company has undertaken the demonstration projects of e-commerce in rural areas, Internet + targeted poverty alleviation, JD.COM's Chinese Specialty Sichuan Helping Farming Hall, and other important governmental projects in Pingchang County of Bazhong City, Xiangcheng Country and Daocheng Country of Ganzi Tibetan Autonomous Prefecture, Linshui County of Guang'an City, Langzhong city, Yingshan country and Gaoping District of Nanchong City, and other rural regions in southwest China's Sichuan Province. By the construction of e-commerce engineering projects, the training for e-commerce talents, and the establishment of regional brands, the Company has made contribution to boost the rural revitalization in Sichuan Province and drive the development of rural e-commerce.



E-commerce service upgrade helps village and town development Case

In 2021, the Company made all-round upgrade and transformation of local e-commerce industrial ecologic chain in Yingshan County, southwest China's Sichuan Province. It upgraded the e-commerce public service system of the whole county and established 29 key e-commerce public service sites; upgraded the e-commerce logistics distribution system of the county and set 29 logistics distribution service sites at village and town levels in the county; developed city-wide smart logistics distribution network system; created "1+3+N" system matrix for the Yingshan brand; and conducted in-depth training on e-commerce and various training through live streaming and e-commerce talent training. These training activities more than 4,000 person-times of trainees, and helped boost the development of local e-commerce industry.



▲ E-commerce service upgrade system of Yingshan County in Sichuan Province

Future Prospect

Facing an uncertain external environment, Beijing United will firmly insist on policy orientation, closely focus on industrial digitalization, industrial Internet, application of supply chain innovations, and others major industrial development directions, continuously persist in the corporate mission of serving industrial chain and boosting enterprise development, and vigorously implement the development strategies of industrial digitalization and industrial Internet, striving to improve the integration of digital technology and traditional industries. We will constantly implement the new development idea, focus on the three major fields of social responsibility management, coordinated development, and community harmony, firmly undertake our responsibilities, duties, and mission in the process of serving economy, protecting environment, and promoting social progress, contributing to sustainable development.

Every effort shall be made to improve social responsibility management capabilities. We will further optimize social responsibility management structure, improve the supervision and management functions of the board of directors on ESG work, integrate the sustainable development work into corporate production and operations, constantly enhance corporate management, and stimulate corporate vitality and creativity. We will take initiative to create a business environment and working atmosphere featuring clean management, fairness and integrity while improving internal governance, guaranteeing the rights and interest of the Company, shareholders, and other stakeholders. We will continuously refine the communication channels with stakeholders, actively respond to the issues concerned by stakeholders, enhance social responsibility information disclosure, and boost the sustainable development capabilities of the Company.

Every effort shall be made to promote coordinated development. We will further improve the service system for platform users, promote the implementation of information security responsibilities, strictly carry out risk prevent and control policies relating to suppliers, and implement dynamic early warning mechanisms for risk identification, ensuring the improvement and effective operation of platform service system. We will constantly explore the building of digital tool system in an all-around way and the construction of industrial chain ecosystem, use digital technology to promote industrial integration and development, and advance the integration and application of industrial Internet. We will promote the digital transformation of cloud factories, helping build an energy-saving, high-efficient, and green industrial chain platform.

Every effort shall be made to build community harmony. We will persistently strengthen the protection of rights and interests of employees, pay attention to their work and life balance, and ensure their physical and psychological health. We will enhance the building of innovative talent team, constantly optimize talent development environment, and improve talent cultivation system. We will continuously give full play to our advantages, take various measures to support work and production resumption, and try the best to make positive contributions to pandemic prevention and control. Closely focusing on the new era and the new requirements, we will carry out volunteer activities in a deep-going way, constantly promote rural revitalization, actively participate in public welfare causes, and use practical actions to serve the society and to set a responsible corporate image.

Appendix

ESG-GRI Index

Aspect	ESG Guide	GRI	Page(s)
A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		P20
	A1.1 The types of emissions and respective emissions data.		P20、P23
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	305-1 305-2 305-4 306-2	P23
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).		P20
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).		P20
	A1.5 Description of emissions target(s) set and steps taken to achieve them.		P20
A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.		P20
	A2.1 Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility).		P21
	A2.2 Water consumption in total and intensity (e.g., per unit of production volume, per facility).	301-1 302-1 302-3 302-5 303-1 303-3	P21
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.		P20、P21
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.		P21
A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.		N/A.As an Internet company, our products do not involve packaging materials.	
A3 Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	307	P23
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.		P23
A4 Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	201-2	P23
	A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.		P23
B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	401-1 405-1	P26、P27、P29
	B1.1 Total workforce by gender, employment type (e.g., full- or part-time), age group and geographical region.		P26、P27
	B1.2 Employee turnover rate by gender, age group and geographical region.		P27

Aspect	ESG Guide	GRI	Page(s)
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		P30、P31
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including this reporting year.	403-2	P30
	B2.2 Lost days due to work injury.		P30
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.		P30、P31
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	404-1 404-2 404-3	P28
	B3.1 The percentage of employees trained by gender and employee category (e.g., senior management, middle management).		P28
	B3.2 The average training hours completed per employee by gender and employee category.		P29
B4 Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	406-1 408-1 409-1	P26
	B4.1 Description of measures to review employment practices to avoid child and forced labour.		P26
	B4.2 Description of steps taken to eliminate such practices when discovered.		P26
	General Disclosure Policies on managing environmental and social risks of the supply chain.		P43
B5 Supply Chain Management	B5.1 Number of suppliers by geographical region.		/
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	308-1 308-2 414-1 414-2	P43、P44
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.		P23
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.		P43
B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		P38
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	416-1 416-2 418-1	N/A.The Company do not involve self-owned products, and no product recalls have occurred.
	B6.2 Number of products and service related complaints received and how they are dealt with.		P39
	B6.3 Description of practices relating to observing and protecting intellectual property rights.		P37
	B6.4 Description of quality assurance process and recall procedures.		P38
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.		P39
B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	205-2 205-3	P13
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during this Reporting period and the outcomes of the cases.		P13
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.		P13
	B7.3 Description of anti-corruption training provided to directors and staff.		P13
B8 Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	203-1 413-1 413-2	P48、P51
	B8.1 Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport).		P48-P51
	B8.2 Resources contributed (e.g., money or time) to the focus area.		P48-P51

Suggestions and Feedback

Dear readers,

Thank you for reading the 2021 Environmental, Social, and Governance Report of Beijing United Information Technology Co., Ltd. To enhance communication and exchanges with you and other stakeholders, as well as continuously improve the Company's environmental and social responsibility performance, and the preparation work of corporate social responsibility report, we earnestly look forward to listening to your valuable comments and suggestions. Please feel free to contact us and give your feedback in the following ways:

Tel.: _____ Email: _____

Mailing address: _____

Postal code: _____

Contact: _____

Please give specific feedback and suggestions on the following questions:

1. What is your overall assessment of this report?

Good Relatively Good Fair Poor

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

Good Relatively Good Fair Poor

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

Good Relatively Good Fair Poor

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

Good Relatively Good Fair Poor

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

Good Relatively Good Fair Poor

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

Good Relatively Good Fair Poor

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

Governance Innovation Services Supply Chain Employees Environment Society

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

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