

# 畅捷通 Chanjet

暢捷通信息技術股份有限公司  
CHANJET INFORMATION TECHNOLOGY COMPANY LIMITED  
(a joint stock company incorporated in  
the People's Republic of China with limited liability)  
Stock Code: 1588

Cloud

好业财

好会计  
会计转型就用好会计

好生意

2022

ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE REPORT

易代账



## NOTES ON THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT

### Reporting Scope:

This Report covers Chanjet Information Technology Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group” or “Chanjet”).

### Reporting Period:

This Report is presented on an annual basis, and covers the period from 1 January 2022 to 31 December 2022. Some contents may go beyond the aforesaid period due to the explanation needs.

### Basis of Preparation:

This Report is prepared in accordance with the ESG Reporting Guide as contained in Appendix 27 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with reference to the GRI Sustainability Reporting Standards issued by the Global Reporting Initiative and other applicable standards, and having complied with the “Comply or explain” provision in the ESG Reporting Guide.

### Explanation about the Data:

Monetary amounts involved in this Report are denominated in RMB saved for those otherwise stated.

### Ways of Publication:

This Report is published online in traditional Chinese and English and is available on the website of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of Chanjet at [www.chanjet.com](http://www.chanjet.com).



Microblog of Chanjet



WeChat of Chanjet



Douyin of Chanjet





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## Statement from the Management

During the Reporting Period, the Group closely followed the national policy of Digital Transformation during the 14th Five-Year Plan period, and actively embraced the development of the digital economy. The Group deeply cultivated two major fields, namely digital intelligent finance and taxation, and digital intelligent business for micro and small scale enterprises (“MSEs”), and accelerated product application innovations in the fields of “new finance and taxation, new commerce, new retail, new manufacturing and new service” (“Five-New”). Product application scenarios were further expanded, and product competitiveness was continuously enhanced. The Group adhered to the development of ecological co-prosperity, effectively expanded sales channels, implemented categorized and classified operation of partners, improved terminal market coverage, strengthened customer success operations, made remarkable achievements in the transformation of cloud service business, and achieved rapid growth in the total revenue. During the Reporting Period, the Group recorded operating revenue of RMB680 million, representing an increase of 15% as compared with last year, of which revenue generated from SaaS subscriptions was RMB381 million, representing an increase of 47% as compared with last year. The total assets of the Group amounted to RMB1.519 billion. While developing principal business, the Group actively promotes green development, follows climate change, practices the concept of mutual progress and win-win cooperation between people and enterprise, continuously optimizes products and services, and builds a corporate culture of integrity and compliance to strive for the sustainable development of Chanjet in the long run.

### Operating in a green way to seek sustainable development

Chanjet actively practices the concept of sustainable development, and continues to optimize emissions management, reduce resource consumption and actively cope with climate change so as to promote corporate operation and management in a green way.

### Caring for talents to seek common progress of people and enterprise

Chanjet believes that talents are the primary resources of high-quality development, and always adheres to the people-oriented concept. Chanjet protects the rights and interests of employees, cares for the physical and mental health of employees, and focuses their career development as a way to strive for the common progress and development of employees and the enterprise.

### Leading the industry with win-win cooperation

With a focus on digital intelligent finance and taxation and digital intelligent business for MSEs in the long run, Chanjet adheres to the corporate culture of “respect and cooperation, striving for the best and achieving happiness and win-win results”. In accordance with the “open, fair and just” anti-corruption operation principle, Chanjet continues to optimize and improve supplier management, accelerates the expansion of ecological partners, actively explores new models of ecological cooperation, and continuously promotes the digital intelligent transformation of MSEs.

### Innovating products, and optimizing services

Chanjet is committed to providing MSEs with more secure, more stable, more efficient and integrated finance, taxation and business solutions. Chanjet promotes the intelligent transformation of MSEs by applying digital and intelligent solutions in multiple dimensions and scenarios, so as to achieve the mission of “facilitating MSEs’ development in operation and management through creativity and technology”.

### Practicing clean governance, and fighting against corruption

Chanjet sticks to the principle of “maintaining integrity, pursuing long-term development, and fighting against corruption”, strictly abides by business ethics, laws and regulations, and ensures the legitimate and compliant operation of the Company by improving reporting channels, strengthening risk management, and conducting anti-corruption training.

In the future, Chanjet will keep its mission in mind and stick to its vision. While practicing the core values of “friends of users, professional endeavour and continuous innovation”, it will strictly abide by national laws and regulations, and actively undertake corporate social responsibilities. Chanjet will work with business partners to improve the organizational resilience of MSEs through digital intelligent transformation as a way to jointly open a new chapter in the digital intelligent development of MSEs.





## Company Profile

As a subsidiary of Yonyou Network Technology Co., Ltd. (用友網絡科技股份有限公司), Chanjet Information Technology Company Limited was established in March 2010 and was listed on the Main Board of the Hong Kong Stock Exchange on 26 June 2014 (Stock code: 1588). Taking “facilitating MSEs’ development in operation and management through creativity and technology” as its mission, striving for the vision of becoming “a worldwide leading provider of cloud services and software for MSEs” and “a platform for partners and employees enjoying work, making achievements and sharing success”, the Company is committed to providing platform services, application services, data-based value-added services for MSEs in the PRC, with a focus on financial and business management cloud services.

The Company is a council member of China Association of Small and Medium Enterprises, a member of the China Software Industry Association and a member of the Beijing Software and Information Service Industry Association. It has been regarded as the “Key Software Enterprises under the National Planning Layout (國家規劃佈局內重點軟件企業)” as well as “High and New Technology Enterprises (高新技術企業)” for consecutive years. In 2021, the Company was successfully selected into the “National Public Service Demonstration Platform for Small-and-Medium-sized Enterprises (國家中小企業公共服務示範平台)” by the Ministry of Industry and Information Technology of China, and the list of “Specialized and Sophisticated” Small and Medium-sized Enterprises that Produce New and Unique Products in Beijing (北京市「專精特新」中小企業認定名單).

According to the “2022 Research Report on Cloud Finance and Taxation Industry for MSEs in China (《2022中國小微企業雲財稅行業研究報告》)” released by iResearch, Chanjet ranked first in the China’s MSEs cloud finance and taxation providers in terms of market share in 2021, took the lead in product foresight and full industry coverage, and ranked high in the leading quadrant of China’s MSEs cloud finance and taxation provider matrix. In addition, according to the “2022 Special Analysis on Cloud Finance and Taxation Market for MSEs in China (《中國小微企業雲財稅服務市場專題分析2022》)” released by Analysys, Chanjet ranked first in the MSEs finance and taxation and cloud service market in terms of market share, and maintained first in the industry in terms of cloud service growth. As for cloud finance and taxation product ratings, Chanjet Good Accountant (暢捷通好會計) ranked first for three consecutive years in terms of comprehensive score, with outstanding performance in the indicators such as adaptability, stability and richness. Chanjet also ranked first in terms of customer satisfaction. Chanjet was accredited as “Customer Satisfaction Enterprise of Beijing (北京市用戶滿意企業)” and “Beijing Enterprise with Commitment to Integrity Operation (北京市誠信經營承諾企業)” in 2022 by Beijing Social Enterprise Quality Association (北京社會企業質量協會).



# ESG Governance

## • ESG STATEMENT OF THE BOARD

The Board attaches great importance to the work on ESG of the Group, assumes full responsibilities for the ESG strategies and reporting of the Group, and ensures the establishment of appropriate and effective ESG risk management and internal control systems. The Board is committed to integrating the supervision of ESG matters (including their risks to the business of the Group) into the daily management and business operations of the Group, requires the management to regularly assess the impact and occurrence of relevant crucial ESG issues and their risks in the daily management and business operations, and develop risk handling measures. The Board regularly reviews the relevant risk assessment reports, focuses on the supervision on the crucial ESG issues and risks as identified, and urges the management to deal with risks in accordance with the risk handling measures as reviewed and approved by the Board. The Board shall meet at least once a year on crucial ESG issues, and may convene temporary meeting when necessary.

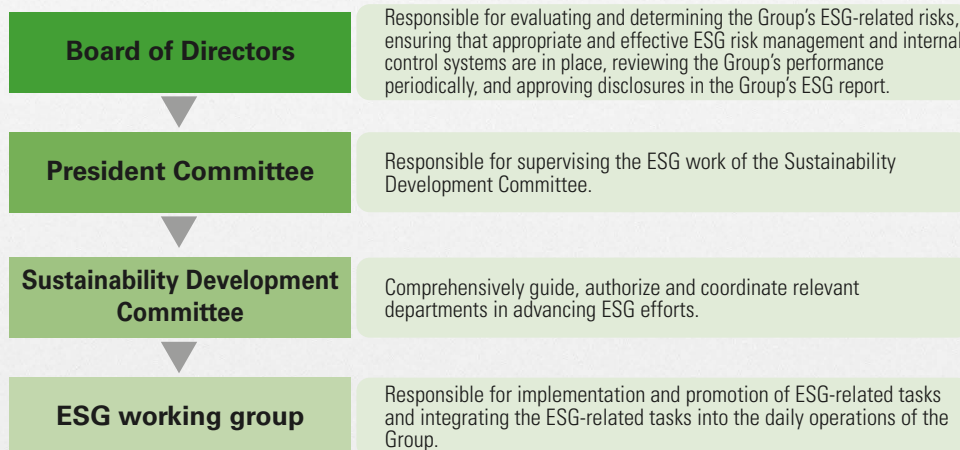
The Board implements clear and targeted ESG management policies and initiatives that are closely aligned with the Group's overall business strategy. Based on the Group's development strategies, relevant policies and regulations, and communication with stakeholders, most members of the Board also participated in the identification and assessment of the ESG-related material issues of the Group to clarify the priorities of ESG governance of the Group and set annual targets and action plans of energy conservation and emission reduction. As the environmental objectives were formulated and the progress of achieving relevant objectives was reviewed on a regular basis, the impact of the Group's business operations on the environment was minimized, which enabled the Group to better fulfill the ESG responsibilities.

During the Reporting Period, the Board reviewed the performance of the Group's ESG-related environmental objectives and considered and adopted the Group's ESG annual report. The review on performance and its relevance to the Group's business is disclosed in this Report.

## • ESG GOVERNANCE STRUCTURE

Chanjet continues to improve the ESG management and organization system, and systematically promotes ESG governance. The Board of Chanjet assumes full responsibilities for the Group's ESG strategies, reporting and supervision. The members of the Board possess experience and knowledges in management, law, interest-related management, and other ESG-related fields. Chanjet has set up a Sustainability Development Committee comprising executive Directors and senior management to comprehensively guide, authorize and coordinate relevant departments in advancing ESG efforts. The Sustainability Development Committee reports ESG-related issues to the Board at least once a year, and communicates with the Board on ESG-related issues in due course. The Sustainability Development Committee has established an ESG working group, which is responsible for implementing and promoting ESG-related tasks and integrates the ESG-related tasks into the daily operations of the Group under the leadership of the Sustainability Development Committee.

During the Reporting Period, the Company invited its legal advisers and ESG professional institutions to provide suggestions on the ESG management process to further improve the process system, and organized management and employees to conduct online ESG training to effectively improve the level of ESG management and ESG information disclosure of the Group.



ESG Governance Structure of Chanjet





## • ESG REPORTING PRINCIPLES

**Materiality:** The materiality of our ESG issues is determined by the Board. The process of stakeholder communication and identification of material issues and the materiality matrix are all disclosed in this Report.

**Quantitative:** Statistical standards, methods, assumptions and/or calculation tools for quantitative key performance indicators herein and source of conversion factors are all explained in the definitions of this Report.

**Balance:** This Report shall provide an unbiased picture of the Group performance during the Reporting Period and should avoid any elaboration or presentation format that may inappropriately influence the decision or judgment made by the report readers.

**Consistency:** The statistical methodologies applied to the data disclosed in this Report shall be consistent. Other than as disclosed elsewhere in the Report, the preparation method of this Report is as same as that of the previous year.

## • COMMUNICATIONS WITH STAKEHOLDERS

Chanjet maintains continuous communications with its stakeholders and has adopted diversified communication channels such as stakeholder seminars, teleconferences and web conferences to listen to the expectations and propositions of the stakeholders and make timely corresponding responses to their opinions. Subject to law-abiding and compliance operation, we fulfill our social responsibilities to create value for stakeholders.

During the Reporting Period, Chanjet continued to prepare and distribute questionnaires to stakeholders to investigate and collect statistics on stakeholders' concerns and influences at different levels. From the perspective of sustainable development, the Company has sorted through and worked out a stakeholder communication form to provide foundation for the identification of material topics of the Group.



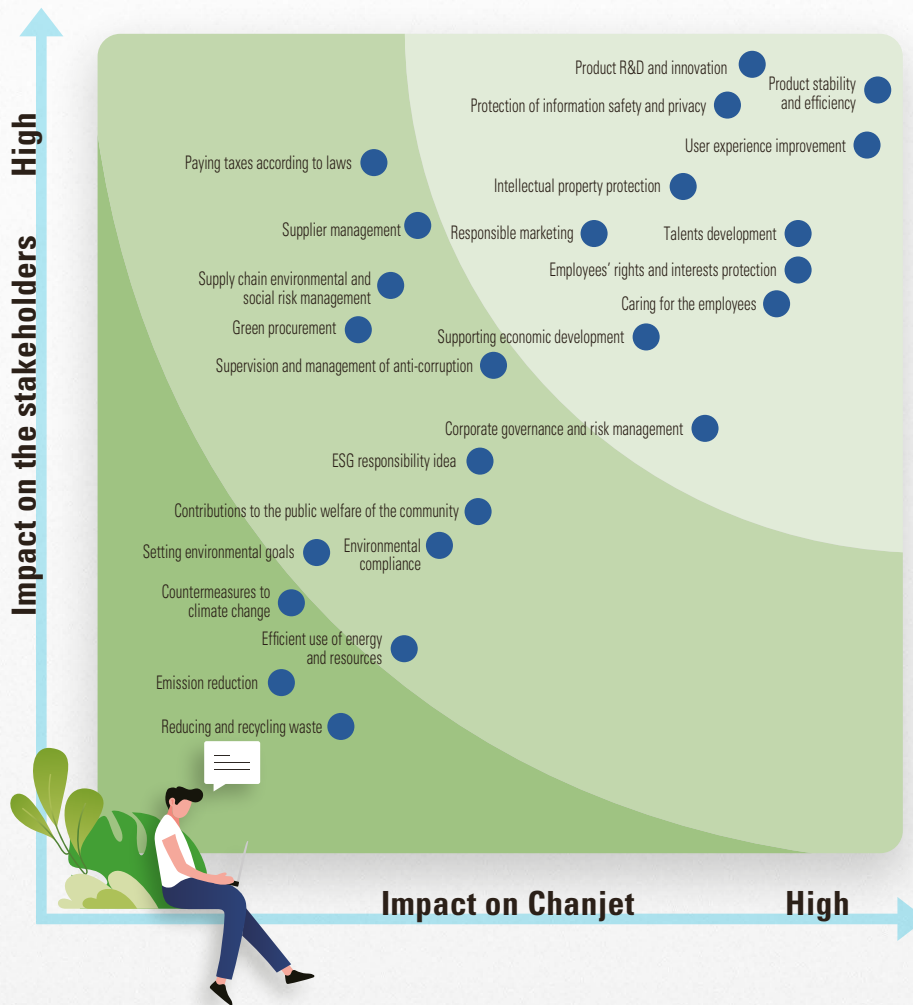
Stakeholder	Topics of Concern	Communication Channels and Solutions
Shareholders	<ul style="list-style-type: none"> <li>• Continuous yield of value returns</li> <li>• Corporate governance and risk management</li> <li>• Exercise of the rights to know and participation in decision-making</li> <li>• Idea of responsibility</li> <li>• Governance responsibility structure</li> <li>• Statement of the Board, in relation to its participation in responsibility management</li> </ul>	<ul style="list-style-type: none"> <li>• Regular reports and information disclosure</li> <li>• General meeting</li> <li>• Presentation on business results</li> <li>• Roadshow on business results</li> <li>• Brokerage strategy meetings</li> <li>• Daily communications with investors</li> </ul>
Government/ Community	<ul style="list-style-type: none"> <li>• Complying with laws and disciplines</li> <li>• Paying taxes according to laws</li> <li>• Supporting economic development</li> <li>• Protection of intellectual properties</li> <li>• Anti-corruption</li> <li>• Voluntary activities</li> <li>• Community building</li> </ul>	<ul style="list-style-type: none"> <li>• Daily communications</li> <li>• Information bulletin</li> <li>• Government and enterprise cooperation</li> <li>• Governmental review</li> <li>• Philanthropic activities</li> <li>• Anti-epidemic activities</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Information security protection</li> <li>• Customer privacy protection</li> <li>• Customer satisfaction</li> <li>• Product stability and efficiency</li> <li>• Product R&amp;D and innovation</li> <li>• Intellectual property protection</li> <li>• Service and feedback response guarantee</li> <li>• Customer rights and interests protection</li> <li>• Reasonable publicity</li> </ul>	<ul style="list-style-type: none"> <li>• Daily services and communications</li> <li>• Customer's satisfaction surveys</li> <li>• Portal websites, WeChat official account, etc.</li> <li>• Online service platform</li> <li>• Customer service hotline</li> </ul>
Business Partners	<ul style="list-style-type: none"> <li>• Growing together</li> <li>• Sharing customers with partners</li> <li>• Fair and just procurement</li> <li>• Supply chain risk management</li> <li>• Green procurement</li> </ul>	<ul style="list-style-type: none"> <li>• Procurement policy</li> <li>• Project cooperation</li> <li>• Daily business communication</li> <li>• Establishment of industrial leagues</li> <li>• Online service platform</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Employment equality</li> <li>• Employment compliance</li> <li>• Employees' rights and interests protection</li> <li>• Occupational safety and health</li> <li>• Promoting career development and skill enhancement</li> <li>• Work and life balance</li> <li>• Employee satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Employment policies</li> <li>• Regular meetings</li> <li>• Employee training</li> <li>• Employee club</li> <li>• Portal websites, WeChat official account, etc.</li> </ul>
Environment	<ul style="list-style-type: none"> <li>• Economical utilisation of energy</li> <li>• Emission reduction</li> <li>• Ecological environment and natural resources protection</li> <li>• Countermeasures to climate change</li> </ul>	<ul style="list-style-type: none"> <li>• Green office</li> <li>• Green procurement</li> <li>• Environmental information disclosure</li> <li>• Launching environmental protection promotion activities</li> </ul>





• **MATERIAL ISSUES IDENTIFICATION**

In accordance with the ESG Reporting Guide as contained in Appendix 27 to the Listing Rules and relevant international standards, the Group communicates questionnaire facts with the stakeholders on the relevant ESG issues, conducts respective evaluations on significant ESG issues relating to our business from the perspectives of the significance to the stakeholders and the significance to Chanjet. Afterwards, the Company selects and forms the materiality matrix to serve as the basis of ESG concerns and disclosures of the Group.



2022 Materiality Matrix of Chanjet

# 1. Environmental Protection

## 1.1 ENVIRONMENTAL MANAGEMENT OBJECTIVES AND PROGRESS

The Group set environmental management objectives for the next five years in 2021. During the Reporting Period, the Group implemented measures to protect the environment, conserve energy, and reduce emissions, and steadily advanced all works in accordance with the objectives.

### Environmental objectives in terms of greenhouse gases, energy consumption, and water usage:

Based on 2021, in the next five years, we will strive to make the per capita emission of greenhouse gas, per capita comprehensive energy consumption, and per capita water consumption remain stable.

### Objectives of electronic wastes generated:

Based on 2021, in the next five years, physical servers will be phased down, and the use of cloud servers will be promoted to reduce the generation of electronic wastes.

### Objectives of non-hazardous wastes generated:

Based on 2021, the use of product packaging will be gradually reduced, and the use of cloud to purchase products will be promoted.

The performance indicators of Chanjet in respect of environment in 2022 are set out as follows:

Indicators	Unit	2022	2021	2020
Direct greenhouse gas emissions	(tCO <sub>2</sub> e)	0	0	0
Indirect greenhouse gas emissions <sup>note 1</sup>	(tCO <sub>2</sub> e)	257.75	234.72	146.24
Total emission of greenhouse gases	(tCO <sub>2</sub> e)	257.75	234.72	146.24
Increase or reduction in emission of greenhouse gases as compared to last year	(tCO <sub>2</sub> e)	23.03	88.48	-3.01
Per capita emission of greenhouse gas <sup>note 2</sup>	(tCO <sub>2</sub> e/person)	0.21	0.18	0.15
Electronic wastes generated <sup>note 3</sup>	(tonnes)	1.74	6.36	4.06
Per capita electronic wastes generated	(kg/person)	1.44	4.92	4.06
Non-hazardous wastes generated	(tonnes)	22.67	24.23	17.65
Per capita non-hazardous wastes generated	(kg/person)	18.75	18.74	17.65
Total electricity consumption	(0'000 kWh)	45.20	40.40	20.54
Per capita electricity consumption <sup>note 4</sup>	(kWh/person)	373.83	Not Applicable	Not Applicable
Comprehensive energy consumption	(tonnes of standard coal)	55.55	49.65	25.25
Per capita comprehensive energy consumption <sup>note 2</sup>	(kg of standard coal/person)	45.94	38.40	25.25
Total water consumption	(tonnes)	1,478	1,700	541
Per capita water consumption	(tonnes/person)	1.22	1.31	0.54
Total packaging materials <sup>note 5</sup>	(tonnes)	1.07	3.16	5.24
Packaging materials per unit of production	(kg)	0.28	0.28	0.28





Note 1: The emission factors used to calculate indirect greenhouse gas emissions from purchased electricity refer to the 2022 national grid average emission factors provided in the Notice on Management of Greenhouse Gas Emission Reports of Enterprises from Power Generation Industry from 2023 to 2025 (Huan Ban Qi Hou Han [2023] No. 43) (《關於做好2023—2025年發電行業企業溫室氣體排放報告管理有關工作的通知》(環辦氣候函[2023]43號)) issued by the Ministry of Ecology and Environment of the People's Republic of China.

Note 2: The per capita emission of greenhouse gas and per capita comprehensive energy consumption in 2022 increased compared to that of 2021, mainly due to (1) the expansion of office areas in the Nanchang Park of the Group in the middle of 2021, resulting in an increase in total electricity consumption; (2) in 2022, the total members of the Group gradually decreased, resulting in an increase in per capita emission greenhouse gas and per capita comprehensive energy consumption calculated by the number of people at the end of the period.

Note 3: The electronic wastes generated and the per capita electronic wastes generated in 2022 decreased significantly compared to that of 2021, mainly due to the Group's centralized scrapping of a batch of used servers, computers, and other electronic devices in 2021, resulting in a large generation of electronic wastes.

Note 4: The per capita electricity consumption index was added in 2022 to more clearly present the energy consumption of the Group.

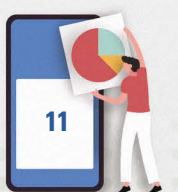
Note 5: The total packaging materials in 2022 decreased significantly compared to that of 2021, mainly because the delivery of the Group's software products is made in forms of cloud encryption and hard encryption. Only products delivered in hard encryption require packaging materials. With the development of the business, the proportion of the Group's cloud encryption products increases over the years, while the proportion of hard encryption products decreases year by year, resulting in a year-by-year decrease in the use of packaging materials.

## 1.2 EMISSION MANAGEMENT

Chanjet strictly complied with the Law of the People's Republic of China on Environmental Protection (《中華人民共和國環境保護法》), the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》), Beijing Environmental Sanitation Regulations on Municipal Appearance (《北京市市容環境衛生條例》), Implementing Scheme on the Mechanism for Domestic Wastes Classification of the National Development and Reform Commission and the Ministry of Housing and Urban-Rural Development (國家發展改革委、住房城鄉建設部《生活垃圾分類制度實施方案》) and other national laws and regulations as well as requirements of various policies, and fulfilled the concept of energy-saving and emission-reduction as well as green and low-carbon development. During the Reporting Period, Chanjet did not have any litigation cases in respect of environmental protection.

- **Management of greenhouse gas emission**

As Chanjet is a MSEs cloud service and software provider, emissions of greenhouse gases generated by Chanjet are mainly emissions from electricity consumed during daily office work and indirectly generated during commuting and business trips. During the Reporting Period, the Group did not possess or have control over any direct emission sources such as vehicles, engines, gas-fueled appliances, etc., and did not utilize coal, gasoline, diesel, natural gas and other fuels, and therefore did not involve in emission of direct greenhouse gases and other exhaust.



In order to achieve the objective of reducing greenhouse gas emissions, Chanjet has adopted a variety of effective measures in office operations:

- ★ Actively use telephone, e-mail, online meetings and other methods in daily office work. During severe weather or special period during the pandemic, employees are encouraged to work remotely online;
- ★ Reduce electricity consumption for the operation of electronic equipment and central air conditioning;
- ★ Encourage employees to adopt green travel in their daily commutes, provide employees with commuter buses and dormitories to reduce greenhouse gas emissions during commuting;
- ★ Establish vegetable plantations, and green plants are placed in all areas of the Company to reduce carbon dioxide in the air.



Vegetable Plantations





- **Management of electronic wastes**

Electronic wastes generated by Chanjet mainly comprise scrapped electronic devices during business operations (scrapped computer mainframes, displays, laptops, servers, printers, etc.). In order to reduce the generation of electronic wastes, the Group reduced the purchase of fixed assets and has taken a series of measures such as leasing electronic equipment, replacing old equipment that is not environmentally friendly, and recycling wastes:

- ★ Rent electronic devices to reduce the production of obsolete electronic devices;
- ★ Use large-scale printers which enable feeding of toner without use of cartridges instead of printers with toner cartridges;
- ★ Replace traditional lighting with LED lighting;
- ★ Transform used computer hard drives and equipment parts for our employees to reuse;
- ★ Set up recycling bins for waste batteries to avoid pollution.

For the electronic wastes generated, the Group classifies them in a unified manner, and then hands them over to a qualified provider for disposal.

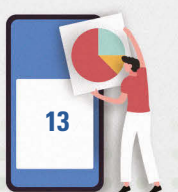
- **Management of non-hazardous wastes**

In accordance with the requirements of the Notice of the General Office of the State Council on Forwarding the Implementing Scheme on the Mechanism for Domestic Wastes Classification of the National Development and Reform Commission and the Ministry of Housing and Urban-Rural Development (《國務院辦公廳關於轉發國家發展改革委住房城鄉建設部生活垃圾分類制度實施方案的通知》)(Guo Ban Fa [2017] No. 26), Chanjet classifies and disposes various non-hazardous wastes. In addition, the Group actively improves office processes to minimize the generation of non-hazardous wastes in daily operations:

- ★ Perform online approval process through the online office management platform. Discard the paper manual application to reduce the use of paper;
- ★ Advocate employees to print on both sides or use the other side of paper for the second time. Before using the printer, one needs to swipe a card to identify his/her identity to reduce invalid printing and save printing consumables. Post a printing-on-both-sides reminder on the printer to promote the concept of saving papers.

- **Management of sewage disposal**

Sewage of Chanjet mainly comes from domestic sewage generated in the office zone, all of which is treated according to the standardized process and discharged to the municipal pipeline after being treated through the septic tank in the office park zone. During the Reporting Period, the Group did not discharge waste into land.



## 1.3 USE OF RESOURCES

Adhering to the principle of low-carbon operation, Chanjet has strengthened its refined management, and has used energy and resources reasonably. In strict compliance with the Law of the People's Republic of China on Energy Conservation (《中華人民共和國節約能源法》) and other laws and regulations with regard to energy conservation and environmental protection, the Group has formulated the Code of Conduct for Employees to practice environmental protection concepts and protect the environment in daily work. The Group is committed to reducing resource consumption from the source, and practiced the concept of green office and low-carbon operation, as a way to contribute to the sustainable development of the economy and society.

Resources used by the Group mainly include electricity consumed for the operation of electronic devices and central air conditioner, water resources from municipal administration water supply as well as purchased packing materials, such as packing boxes, user's manuals, CDs, etc. During the Reporting Period, the Group planned and implemented a series of energy-saving and consumption reduction measures:

- **Lowering energy consumption**
    - ★ Reasonably use lighting and air conditioners, and turn off the main power when leaving the office for a long time; use electricity based on working areas during overtime hours to reduce unnecessary power consumption;
    - ★ Switch to power-saving mode when using electronic office equipment, extend standby time, and promptly turn off the equipment or turn on the sleep mode during non-working periods;
    - ★ Conduct the "lights out for an hour" activity in offices at lunch break on working day;
    - ★ Use cloud servers provided by Alibaba Cloud and other service providers to reduce the energy consumption of server operation;
    - ★ Replace traditional lighting with LED lighting, and optimize the circuit design of office area to reduce power waste;
    - ★ Post power saving reminders at the Company's light switches to enhance employees' awareness of energy saving.
  - **Saving water resources**
    - ★ Introduce water purifiers to reduce consumption of tap water and mineral water;
    - ★ In addition to automatic sensor faucets, replace all other faucets with atomizing faucets to save water consumption;
    - ★ Inspect water pipes, faucets and other equipment regularly, and update worn equipment in time to reduce waste caused by leaking or dropping water;
    - ★ Post water saving reminders in public areas such as toilets to enhance employees' awareness of water saving.
- The Group relies on municipal water supply and has not, and is not expected to encounter problems in obtaining water sources during its operations.
- **Scaling down the usage of packaging materials**
    - ★ With the transformation of the Group's software business to cloud service business, the use of packaging can be gradually abandoned;
    - ★ Promote cloud-based purchases and software-encrypted purchases to replace physical product purchases;
    - ★ Apply eco-friendly materials for packaging boxes of software products to reduce the impact of waste packaging materials on the environment.





## 1.4 IMPACT OF CLIMATE CHANGE

To actively respond to the national carbon peaking and carbon neutrality goals, Chanjet has incorporated climate change risk into the overall risk assessment and management system of the Group, and implemented measures to save energy and reduce emissions. While achieving its green and low-carbon development, Chanjet leverages on its own advantages of digital and intelligent technologies to assist MSEs in digital and intelligent transformation in a green way.

- **Identifying climate change risk**

Chanjet conducted research on climate change risk based on business characteristics, identified transition risks and physical risks brought by climate change to the Group in accordance with the recommendations of Task Force on Climate-related Financial Disclosures (TCFD), evaluated the degree of their impact on the Group, and developed countermeasures:

Risk type		Impact	Countermeasures
Transition risk	Policy and legal risk	Medium ★	Actively obtain policy trends, enhance information disclosure, incorporate them into the Company's long-term planning in a timely manner, and prepare for the possible impact of relevant policy requirements relating to sustainable development on the Company's business development and financial expenses.
	Market risk	Low ★	Help customers realize online and offline integrated operations and reduce the impact of climate change on the business environment.
	Reputation risk	Low ★	Actively abide by the relevant policy requirements of sustainable development, obtain external evaluations from customers and other stakeholders in a timely manner, continuously improve the quality of products and services, and maintain the good reputation of the Company; ★ Attach importance to the management of supplier sustainable development and strengthen training related to supplier sustainable development.
Physical risk	Acute risk	Low ★	Take into account the frequency and scale of regional extreme weathers, strengthen building safety assessment and inspection, formulate relevant emergency plans to reduce the losses caused by extreme weathers damaging the buildings and affecting the equipment of the Company.

- **Seizing green opportunities**

Chanjet firmly believes that vigorously addressing climate change will bring various opportunities to the Group. Chanjet closely follows the guideline on carbon peaking and carbon neutrality at the national level, including the Working Guidance for Carbon Dioxide Peaking and Carbon Neutrality in Full and Faithful Implementation of the New Development Philosophy, and the Notice of the State Council on Printing and Distributing the Action Plan for Carbon Dioxide Peaking Before 2030. Chanjet actively responds to various requirements for green and low-carbon development including the Industrial Green Development during 14th Five-Year Plan Period (《「十四五」工業綠色發展規劃》), and is committed to using its own technological advantages to help MSEs save resources, cut down energy consumption, reduce negative impacts on the environment, and assist customers in speeding up the digital intelligent transformation in a green way.



Case: Core SaaS of Chanjet Helps Customers Develop in a Green Way

T-Cloud

The latest version of T-Cloud 18.0, the cloud service core product of Chanjet, relies on more convenient, easy-to-use, and reliable whole-process ecological services to rapidly and independently build scenario-based applications and services, achieve on-demand cloud deployment, data security, and optimal cost selection, and enhance the agility and competitiveness of enterprises in uncertain environments as a way to help enterprises achieve business innovation goals from improving business management to developing in a sustained and healthy manner.

<p><b>1 Business management based on real-time data:</b></p> <p>building a digital business decision-making model covering all business elements of the enterprise from five dimensions: human, finance, goods, customers, and data</p>	<p><b>2 Intelligent supply chain:</b></p> <p>efficient collaboration between upstream and downstream supply chains based on order tracking, and digital warehousing and distribution</p>	<p><b>3 New commerce:</b></p> <p>a standardized management model for the whole sales process</p>	<p><b>4 New retail:</b></p> <p>full coverage of retail scenarios, including smart stores, micro malls, micro members, etc.</p>
<p><b>5 New manufacturing:</b></p> <p>the visualization of order process, workshop production, and material control to accelerate the market response speed of enterprises, intelligently arrange the work and production, and improve inventory turnover to achieve lean production</p>	<p><b>6 New finance and taxation:</b></p> <p>real-time business services, with integrated management of business and finance, invoice and filing, and finance and taxation</p>	<p><b>7 Role-based mobile applications:</b></p> <p>improving work efficiency and strengthening internal control</p>	<p><b>8 An open platform to empower enterprises:</b></p> <p>to access a wide range of ecological services</p>

Features of Chanjet T-Cloud Products

Good Business and Finance

Chanjet Good Business and Finance integrates socialization, automation, intellectualization, and scenario-based features of SaaS 2.0 to comprehensively assist enterprises in fine and efficient management, help them reduce resource consumption and eliminate information barriers, and control business risks and optimize business decision-making through intelligent analysis of data so as to achieve comprehensive integration of business and finance.

Good Accountant

In terms of helping enterprises adopt all-electric invoices, Chanjet Good Accountant enables enterprises to realize the whole process management of invoices and integrate invoice, finance, tax, fee, bank and filing in multiple scenarios as a way to help MSEs develop in a digital, intelligent, and green manner.

<p><b>Delivery free</b></p> <p>Account creation step by step Automated intelligent account guidance Business process description</p>	<p><b>Self-help</b></p> <p>IM intelligent help recommendation Intelligent personalized configuration Intelligent message push</p>	<p><b>Viral marketing</b></p> <p>Intelligently recommend value-added applications to users Promote the joint use of this software by upstream and downstream enterprises</p>
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Features of Chanjet Good Accountant Products

Good Business

Chanjet Good Business helps MSEs achieve online purchase, sales, inventory management, and drives sales with data to assist customers in transferring marketing, operation, and profit models from offline to online as a way to help customers save resources and improve efficiency. Customers can use Good Business with their mobile phones without purchasing a computer, and can quickly learn how to apply the product.





## 2. Talent Development

### 2.1 ESTABLISH A HARMONIOUS TEAM

Chanjet has been in strict compliance with the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Law of the People's Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》), Provisions on Prohibition of Child Labor (《禁止使用童工規定》) and other laws and regulations. It has formulated a complete internal management system to fully protect the rights and interests of employees in terms of employee recruitment, dismissal, promotion, working hours, vacations, remuneration and benefits, diversity, prevention of discrimination, equal opportunities, and practices the people-oriented concept for development to build healthy and harmonious labor relations with employees.

- **Equal and compliant employment**

Chanjet adheres to the principle of "openness, fairness and justice" in recruitment, sets legal and compliant recruitment and dismissal conditions, and establishes a harmonious labor recruitment and dismissal system. In order to enrich the recruitment channels for new employees, Chanjet adopts a variety of recruitment methods such as campus recruitment, social recruitment and internal recommendation, and examines the work ability, job matching degree and work attitude of the candidates, so as to ensure each personnel is put in a suitable position. Chanjet fully protects employees' rights to know, participate and supervise during the recruitment process, and is committed to building an equal and diversified workforce.

During the Reporting Period, Chanjet had no lawsuits arising from employment issues.



- **Protection of rights and interests of employees**

Chanjet strictly implemented the relevant national regulations on vacations, working hours and remuneration. During the Reporting Period, Chanjet revised and republished the Chanjet Remuneration Management Measures (《暢捷通薪酬管理辦法》), the Chanjet Work Attendance Management Measures (《暢捷通考勤管理辦法》) and other rules and regulations, and further improved the internal system construction of the Group to fully guarantee the legitimate rights and interests of employees.

Vacation management		★	Safeguarded employees' rights of taking leaves by revising the Chanjet Work Attendance Management Measures (《暢捷通考勤管理辦法》) and earnestly implementing statutory festivals and holidays;
		★	Revised the Front-line Special Welfare System (《一線特殊福利制度》) to provide front-line employees with additional paid holidays in addition to statutory holidays.
Working hours' management		★	Implemented a flexible working hours' system, helped staff balance their work and life.
Remuneration and welfare	Basic welfare	★	Established a complete and comprehensive remuneration system, covering basic salary, performance based bonus and subsidy, and rationally determined remuneration in a comprehensive consideration of various factors such as post, rank of position, business line, and geographic location;
		★	Implemented basic security benefits for all employees, including payment of statutory social security and provident fund, various subsidies, holiday visits, physical examination and payment of accident insurance for all employees, etc.
	Talent incentives	★	Implemented long-term talent incentives measures such as the Employee Share Ownership Scheme, Long-term Incentive Bonus Scheme and the Point Scheme to attract, retain and inspire the Group's mid-level and senior management and key personnel as a way to promote the long-term and healthy development of the Group.
	Other welfare policies	★	Revised the Traffic Welfare System (《交通福利制度》), cooperating with the implementation of the flexible working hours' system, to meet employees' flexible commuting needs and reduce their commuting pressure.

- **Elimination of child labor and forced labor**

Chanjet strictly abides by national laws and regulations, opposes any form of forced labor, and strictly avoids child labor, forced labor and other illegal labor. During the recruitment process, the relevant departments of the Group carefully check the identity of the candidates, identify their real age, and ensure that the entry qualifications of the candidates meet the statutory requirements. In addition to the recruitment process, the Group conducts an annual risk assessment on human resources management to review and discuss labor-related risks. If any possible violations or high-risk factors are identified, it will promptly take countermeasures for rectification, eliminate violations, and reduce risks as soon as possible to ensure the compliance and effective operation of the Group's human resources.

During the Reporting Period, Chanjet did not have any breach in respect of exploiting child labor and forced labor.





The performance indicators of Chanjet in respect of employment in 2022 are set out as follows:

Indicators	Unit	2022	2021	2020
<b>Employment indicators</b>				
Total number of employees	(persons)	<b>1,209</b>	1,293	–
Full-time employees	(persons)	<b>1,207</b>	1,289	1,000
Part-time employees	(persons)	<b>2</b>	4	–
Number of male employees	(persons)	<b>833</b>	906	–
Percentage of male employees	(%)	<b>68.90</b>	70.07	71.90
Number of female employees	(persons)	<b>376</b>	387	–
Percentage of female employees	(%)	<b>31.10</b>	29.93	28.10
Number of employees aged under 30	(persons)	<b>433</b>	574	–
Percentage of employees aged under 30	(%)	<b>35.81</b>	44.39	41.50
Number of employees aged between 30 and 50	(persons)	<b>759</b>	708	–
Percentage of employees aged between 30 and 50	(%)	<b>62.78</b>	54.76	57.70
Number of employees aged above 50	(persons)	<b>17</b>	11	–
Percentage of employees aged above 50	(%)	<b>1.41</b>	0.85	0.80
Number of employees in Beijing	(persons)	<b>699</b>	745	–
Percentage of employees in Beijing	(%)	<b>57.82</b>	57.62	58.70
Number of employees in areas other than Beijing	(persons)	<b>510</b>	548	–
Percentage of employees in areas other than Beijing	(%)	<b>42.18</b>	42.38	41.30
Percentage of employees at junior ranks	(%)	<b>13.65</b>	17.71	17.30
Percentage of employees at intermediate ranks	(%)	<b>35.65</b>	37.20	32.40
Percentage of employees at senior ranks or above	(%)	<b>50.70</b>	45.09	50.30
Percentage of disabled employees	(%)	<b>0.83</b>	0.70	0.70
<b>Employee turnover rate indicators <sup>note</sup></b>				
Turnover rate	(%)	<b>19.61</b>	23.63	–
Turnover rate of male employees	(%)	<b>20.44</b>	25.73	–
Turnover rate of female employees	(%)	<b>17.72</b>	18.24	–
Turnover rate of employees aged 30 or below	(%)	<b>25.98</b>	23.94	–
Turnover rate of employees aged between 30 and 50	(%)	<b>15.76</b>	23.55	–
Turnover rate of employees aged 50 or above	(%)	<b>5.56</b>	10.20	–
Turnover rate of employees in Beijing	(%)	<b>17.18</b>	20.10	–
Turnover rate of employees in areas other than Beijing	(%)	<b>22.73</b>	27.97	–

Note: The formula for calculating the employee turnover rate: turnover rate=the number of employee turnover/(number of employees at the beginning + number of recruits).



## 2.2 SAFEGUARD OCCUPATIONAL HEALTH

Chanjet attaches great importance to the occupational health and safety of employees in strict compliance with the Law of the People's Republic of China on Work Safety (《中华人民共和国安全生产法》), the Law of the People's Republic of China on Prevention of Occupational Disease (《中华人民共和国职业病防治法》) and other laws and regulations in relation to health and safety. The Company takes and offers a variety of measures to protect the occupational health and safety of employees to create a good working environment, and regularly monitors the safety of the employees' working environment:

- ★ Carrying out differentiated physical examination policies based on the respective needs of employees including orientation physical examination and annual physical examination to ensure the health of employees;
- ★ Providing commercial accident insurance and assignment allowance for employees, and high-temperature subsidies for sales employee;
- ★ Providing employees with benefits such as dental check-ups, massages, physiotherapy and healthy drinks;
- ★ Conducting regular health and safety lectures, including common sense on prevention and response to emergencies, first aid knowledge, women's health knowledge, health care and prevention with traditional Chinese medicine, men's and women's occupational health, and prevention and treatment of cardiovascular and cerebrovascular diseases;
- ★ Providing employees with a sunny, healthy and pleasant office environment by configuring air purifiers and placing green plants in the office;
- ★ Regularly carrying out 15-minute radio gymnastics activities every day to create a working atmosphere full of vitality and happiness for employees.



Traditional Chinese Medicine (TCM)  
Health Consultation

Drinks for Autumn and Winter





Moreover, Chanjet pays great attention to the care of female employees. In addition to the maternity leave for pregnant female employees in accordance with national regulations, Chanjet has set up rooms for mother and infant in the office area to provide convenience for breastfeeding female employees. The Group regularly holds lectures on women’s health to popularize common sense of health and knowledge of preventing breast-related diseases for all female employees. In addition to a half-day holiday for female employees on the International Women’s Day, the Group also gives them holiday gifts to enhance the sense of happiness of female employees.

During the Reporting Period, Chanjet recorded 100% coverage of social insurance and did not have any work-related injuries or casualties of employees.

The performance indicators of Chanjet in respect of employees’ health and safety in 2022 are set out as follows:

Indicators	Unit	2022	2021	2020
Work-related fatalities	(persons)	0	0	0
Workdays lost due to work injuries	(days)	0	0	0
Coverage of physical examination package for employees <sup>note</sup>	(%)	99.1	99.3	99.3

Note: The formula for calculating the coverage of physical examination package for employees: coverage of physical examination package for employees=the number of employee undergoing physical examination/number of full-time employees.

## 2.3 FOCUS ON EMPLOYEE DEVELOPMENT

Chanjet regards talent as the most valuable asset and talent development as one of the most important managements of the Group. Chanjet actively responds to the development needs of employees, and continuously optimizes the talent training system to enhance its core competitiveness. Meanwhile, the Group continuously optimizes employee career paths, and offers employees a dual-channel promotion mechanism of cadres and experts to promote employee growth and the development of Chanjet in the long run.

- **Employees training**

Oriented to satisfy employees’ job competency, Chanjet formulates the Chanjet Training Management System (《暢捷通培訓管理制度》), and establishes a training system combining internal and external training and develops an annual training plan to help employees grow and develop. The Group adopts online and offline training, encourages the use of fragmented time for learning, and develops knowledge points into multiple small and refined online courses to facilitate employees to learn.

In terms of internal training, the Group has established internal training platforms named “Youlexue” (友樂學) and “Chanjet School”. According to the Group’s development strategies and research results of training needs, it provides hierarchical training for employees of different sequences and ranks, including professional quality and norms, professional knowledge and regulations, general technology and competencies and leadership, etc. In addition, the Group relies on the faculty of “Yonyou College” to provide employees with more diversified training courses.

In terms of external training, the Group employs external professional teachers to carry out training for employees, including professional ability training for non-academic education, to help employees access cutting-edge technologies and improve professional literacy and comprehensive skills. The Group actively encourages employees to obtain work-related qualifications, and implements priority approval and reimbursement of learning expenses for applications for specific qualifications.



The training content of Chanjet is aimed at all levels from new employees to senior managers, covering the entire career cycle of employees: For new recruits, the Company focuses on training on corporate development history, product business, and financial and human resources systems. For grassroots employees, we conduct training courses on expertise, industry-leading theories, and special training camp activities. For reserve cadres, we conduct courses on the cultivation and improvement of management knowledge and skills. For senior management, we carry out corporate culture exchanges and discussions. The Group issues training satisfaction questionnaires to employees after each training to listen to employees' feedback, and continuously improves the training system according to the analysis result of questionnaires.

The performance indicators of Chanjet in respect of employee training in 2022 are set out as follows:

Indicators	Unit	2022	2021	2020
Number of employees trainees	(persons)	<b>1,199</b>	1,280	993
Percentage of employees trainees <sup>note 1</sup>	(%)	<b>99.34</b>	99.30	99.30
Percentage of male employees trained <sup>note 2</sup>	(%)	<b>69</b>	70	–
Percentage of female employees trained	(%)	<b>31</b>	30	–
Percentage of employees at senior ranks or above trained	(%)	<b>51</b>	45	–
Percentage of employees at intermediate ranks trained	(%)	<b>36</b>	37	–
Percentage of employees at junior ranks trained	(%)	<b>13</b>	18	–
Expenses incurred for trainings <sup>note 3</sup>	(RMB0'000)	<b>85</b>	123	101
Total training hours for employees <sup>note 3</sup>	(hours)	<b>96,650</b>	163,084	18,748
Average training hours for employees	(hours/person)	<b>80.61</b>	127.41	18.88
Average training hours for male employees	(hours/person)	<b>84.70</b>	127.34	18.96
Average training hours for female employees	(hours/person)	<b>69.40</b>	127.55	18.67
Average training hours for employees at senior ranks or above	(hours/person)	<b>52.86</b>	127.28	18.78
Average training hours for employees at intermediate ranks	(hours/person)	<b>121.04</b>	127.12	18.73
Average training hours for employees at junior ranks	(hours/person)	<b>73.22</b>	129.27	19.46

Note 1: The formula for calculating the percentage of employees trainees: percentage of employees trainees=the number of employees trainees/number of full-time employees.

Note 2: The formula for calculating the percentage of employees trainees in certain category: percentage of employees trainees in certain category=the number of employees trainees in the category/number of employees trainees.

Note 3: The expenses incurred for trainings and the total training hours for employees in 2022 decreased compared with that of 2021, mainly because the Group was committed to comprehensively improving organizational ability in 2021, and strengthening the training and improvement of cadres and employees, carrying out product learning and examination activities for all employees as well as advanced product knowledge learning and practical exams for all employees from channel operation centers, which contributed to higher expenses incurred for trainings and more total training hours for employees.





- **Promotion mechanism**

Chanjet is committed to deeply tapping the potential of employees to ensure that capable employees can maximize their personal value, and offers platforms for development and channels for promotion to realize the common development of the Company and employees. Chanjet has improved the employee development system and clarified the qualification standards for professionals in accordance with policy documents including the Professional Personnel Development and Management Mechanism (《專業人員發展與管理制度》), the Qualification Evaluation Management Measures for Professional Personnel (《專業人員任職資格評審管理辦法》) and the Cadre Management System (《幹部管理制度》). The Group provides employees with a management-prone and specialty-inclined “dual-channel” promotion mechanism. Employees can choose the development channel suitable for their positions according to their own positions, ranks, abilities and willingness. The Group conducts a regular annual evaluation on qualification standards for professionals. During the Reporting Period, the Group started online qualification evaluation system, realizing online qualification standards for professionals and evaluation process, so as to make employee promotion more open, transparent, fair and equitable.

## 2.4 CARE FOR EMPLOYEES PRACTICALLY

Chanjet is committed to creating a vibrant and happy working atmosphere for employees by caring for their lives, improving communication channels, conducting staff sports activities, and guiding them to work and live happily.

### **Build consensus and synergy to fight against pandemic**

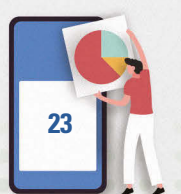
In 2022, the Novel Coronavirus Pandemic was complex and changeable. In the face of repeated outbreaks, Chanjet strictly implemented the rules to prevent and control the pandemic, and took a number of care and assistance measures to protect the health of employees. The Group provided employees with basic materials including pandemic control and health items. During the special period when the number of people infected with COVID-19 increased sharply, the Group mailed anti-pandemic materials to employees who could not buy drugs and antigen detection kits as a way to provide material support for employees, so that they could feel the concern of the Company and a sense of belonging.

### **Strengthen democratic management**

Chanjet attaches great importance to democratic management. The Group encourages democratic communication among employees by smoothing communication channels, regularly surveys employee satisfaction to understand employees’ expectations and needs, and promptly improves or solves issues fed back by employees to enhance their sense of ownership and work enthusiasm.

### **Carry out cultural and sports activities**

Chanjet actively carried out a variety of staff activities, including the “1024 Programmer’s Day (1024程序員節)”, military experience, the Lantern Festival, and the International Children’s Day to enhance the cohesion of the team, and successfully create a platform for employees to work happily, make achievements and share success.



Case: "1024 Programmer's Day" Activity

On 24 October, Chanjet held a Programmer's Day event with the theme of "Unlimited Potential and Just for the Challenge" to build a positive corporate culture and enhance corporate cohesion. Programmers actively participated in activities such as calisthenics, archery, concentric drum, and tug of war. The Group also prepared abundant holiday gifts for employees.



Case: Family Day Activity on 1 June

On the International Children's Day, Chanjet held a family day activity with the theme of "Happy Childhood". It called on employees and their families to exercise, do handicrafts and paint together, and distributed gift packages, which enhanced employees' sense of corporate culture identity and the employer's brand influence.







## 3. Operation and Management

### 3.1 SUPPLY CHAIN MANAGEMENT

Chanjet adheres to the “open, fair and just” anti-corruption operation principle so as to put an end to all conducts of commercial bribery, and has established a strict and standardized supplier selection and admission mechanism. Chanjet formulated and revised Procurement Management System (《採購管理制度》) and Supplier Management Measures (《供應商管理辦法》) to manage and regulate employee procurement, identify supplier-related risks in time and realize supplier information-based management, so as to ensure the orderly and efficient operation of all links of supply chain management with rules to go by.

- **Supplier screening**

Chanjet strictly implements a review process for supplier identification and admission, and gives preference to suppliers who meet the qualifications and attach importance to social responsibilities:

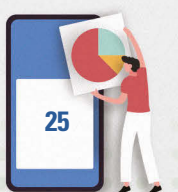
- ★ In terms of qualification review, Chanjet has made clear requirements on suppliers’ business scope, integrity record, establishment period, etc., and for bidding projects, supporting evidence for corresponding qualifications need to be provided. New suppliers need to complete the registration in the supplier management system and submit materials for review. After being reviewed, they can be selected into the Group’s supplier database;
- ★ In terms of social responsibility, Chanjet has fully established and implemented the SA8000 social responsibility management system and requires suppliers to cooperate with the implementation of standards of the social responsibility management system. Chanjet requires suppliers to sign the Anti-corruption Cooperation Commitment (《陽光合作承諾書》) and Suppliers’ Social Responsibility Commitment (《供應商社會責任承諾書》) for commitments to prohibiting the employment of child labor and forced labor, protecting the rights and interests of employees, promoting law-abiding and compliant supply chain management, and establishing a social responsibility management system.

- **Supplier review**

Chanjet conducts categorized and classified management of suppliers in accordance with the Procurement Management System (《採購管理制度》), a supplier management measure of the Group, and establishes an annual supplier review mechanism to assess suppliers in a targeted manner:

- ★ Conduct annual performance evaluation on qualified suppliers with a procurement amount of more than RMB200,000 (inclusive) in the previous year in terms of price, delivery, quality, and service;
- ★ When necessary, evaluate suppliers of large and medium-sized procurement projects after preliminary inspection;
- ★ Conduct on-site assessment on suppliers from time to time depending on the specific situation.

The Group conducts an annual review for suppliers at the end of each year and the beginning of the next year. Suppliers who fail to pass the annual review will be disqualified from cooperation from the next year and will be frozen in the database of qualified suppliers.



- **Procurement violation management**

Chanjet has developed a strict management mechanism for procurement violation:

- ★ Chanjet requires procurement personnel of the Group to strictly abide by the Procurement Management System and the Code of Business Conduct for Employees(《員工商業行為守則》), follow the procurement process, and use the online system to complete the procurement process. If there are violations in the procurement process, the audit and supervision department of the Company will investigate and impose penalties according to regulations; those responsible for particularly serious violations of the law will be handed over to judicial authorities for handling according to laws;
- ★ Chanjet requires suppliers to strictly abide by the relevant requirements. If a supplier has procurement violations, measures including internal notification, penalties according to the Procurement Management System, and permanent cancellation of supplier qualifications will be taken depending on the seriousness of the circumstances; and if the circumstances are particularly serious, the Company's legal department will investigate relevant legal responsibilities.

- **Green procurement**

During procurement activities, Chanjet actively promotes the concept of green and low-carbon, fully considers resource conservation and recycling, and prefers the supplier to provide electronic bidding information to avoid resource waste caused by submitting paper materials.

In 2022, Chanjet implemented the above-mentioned policies and practices on supplier engagement and management to all its suppliers. Other performance indicators in supplier management are as follows:

Indicators	Unit	2022	2021	2020
Total number of suppliers <sup>note</sup>	(unit)	<b>725</b>	466	237
Number of suppliers in Mainland China <sup>note</sup>	(unit)	<b>716</b>	457	230
Number of suppliers in the regions of Hong Kong, Macau, Taiwan and other countries <sup>note</sup>	(unit)	<b>9</b>	9	7

Note: The above-mentioned indicator data was the number of suppliers under effective cooperation at the end of the Reporting Period.





## 3.2 PRODUCT SERVICES

As a pioneer in the field of financial and business management cloud services for MSEs, Chanjet is committed to providing customers with stable and high-quality products and services. Chanjet strictly controls the quality of its products and services, attaches great importance to privacy protection and data security, and enhances the efforts to create leading innovation capabilities in order to continuously improve user experience.

Chanjet continues to improve and iterate digital intelligent business products for enterprises to directly address the transformation needs of MSEs. During the Reporting Period, several products of the Group were highly recognized by the market:

Product	Awarding Party	Awards
T+Cloud	China Academy of Information and Communications Technology	The Service and Products Catalogue of Specialized and Sophisticated Small and Medium-sized Enterprises that Produce New and Unique Products (First Batch) (《專精特新中小企業服務產品目錄(第一批)》)
T+Cloud	National Industrial Information Security Development Research Center	2021 Typical Cases of Digital Transformation of Small and Medium Enterprises
T+Cloud	2022 Global Digital Economy Conference	Digital Economy Industrial Innovation Achievements
T+Cloud	Beijing Software and Information Service Industry Association	Cutting-edge Digital Technology Innovation Application Case Collection
Chanjet Good Accountant, Easy Accounting Agent and T+Cloud	2022 China SaaS Conference of Cuiniuhui	2023 China Enterprise Services Cloud Map (2023 中國企業服務雲圖)
Good Business and Finance (好業財)	CSDN (Chinese Software Developer Network)	Annual Innovation Product and Solution
Chanjet Cloud Platform Identity Authority Governance (暢捷通雲平台身份權限治理)	China Academy of Information and Communications Technology	Outstanding Innovation Case in Science and Technology Governance

- ### Product quality

Chanjet has developed and revised the Product Quality Standard (《產品質量標準》) and the Development Process Specification (《開發過程規範》) in strict compliance with laws and regulations including the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》) and the Patent Law of the People's Republic of China (《中華人民共和國專利法》), with reference to and based on industry-leading software engineering methods as well as standards and practices related to product development models, in light of the latest news and trends in the industry. Chanjet conducts quality verification at different stages of product development such as unit testing, integration testing and online testing to ensure product quality. In addition, Chanjet has obtained ISO 9001 quality management system certification and is reviewed annually.

In terms of product return management, Chanjet provides convenient return channels: users can fill out the Cloud Product Return Application (《雲產品退貨申請》) and Electronic/Paper Invoice Refund Application (《電子/紙質發票退票申請》) online, and call customer service within 7 days of product registration and activation to efficiently complete product returns.

During the Reporting Period, Chanjet did not have any litigation case caused by product issues.



- **Protection of information safety and privacy**

Chanjet attaches great importance to customer privacy and information security protection. In strict compliance with the Law of the People’s Republic of China on the Protection of the Rights and Interests of Consumers (《中華人民共和國消費者權益保護法》), the PRC Network Security Law (《中華人民共和國網絡安全法》), the Interim Measures for the Administration of Internet Advertisement (《互聯網廣告管理暫行辦法》), the Regulations on Telecom and Internet User Personal Information Protection (《電信和互聯網用戶個人信息保護規定》) and other laws and regulations, Chanjet has developed management systems including the Chanjet Personal Information Protection Management Specification (《暢捷通個人信息保護管理規範》), the Chanjet Information Security Management System (《暢捷通信息安全管理體系》), the Chanjet Internet Export Security Management Measures (《暢捷通互聯網出口安全管理辦法》), the Chanjet Account and Password Security Management Measures (《暢捷通賬號密碼安全管理辦法》), and the Chanjet Product Security and Emergency Response Management Measures (《暢捷通產品安全與應急響應管理辦法》), and has actively explored and built a complete data security and privacy system to create a safe and reliable cloud service platform for MSEs. During the Reporting Period, Chanjet conducted the annual audit and irregular random audits in accordance with the requirements of the national professional management department. The audit results were all qualified, and no privacy violation cases occurred.

Chanjet has made continuous efforts to ensure customer information security at the level of product design, personnel authority, and system equipment:

Product design	★	Formulate and implement APP launch specifications. When obtaining user information, users need to be fully informed. It is not allowed to obtain personal information beyond the scope of consent or irrelevant to the service scenario;
	★	Apps that are launched for the first time need to be self-examined and modified according to the Information Security Self-Inspection Form (《信息安全自查表》), and can only be available after passing the third-party inspection;
	★	In the process of product design, multiple security protection measures are taken in terms of user authentication and information storage, and numbers of security tests are performed before the product goes online to ensure the safety of the product;
	★	Alibaba Cloud, Huawei Cloud and their external security service applications are applied to ensure the security of physical data centers, and important data is backed up to ensure corporate data security.
Personnel access	★	Sign confidentiality agreements with employees to protect corporate information security;
	★	Identify personal identity when logging into internal information system or application of enterprises, and set access rights for different users based on different posts and responsibilities;
	★	Employees must abide by the password requirements of the information system, and must not install irrelevant software other than those specified by Chanjet;
	★	Employees are required to copy and print documents containing sensitive information in strict accordance with the specifications to maintain the safety of the office environment.
System equipment	★	Establish a system operation monitoring center to monitor real-time changes, and detect the operational security of key links such as business systems, service systems, business back-end services, and related systems of important partners;
	★	Establish and improve the computer room security management system, regularly scan for operating system changes and vulnerabilities, timely repair the discovered system security vulnerabilities, classify the computer security incidents of the system according to national regulations, and take corresponding measures to deal with them;
	★	Establish computer intrusion prevention measures, set up firewalls for employees’ computer systems, and require employees to regularly modify passwords that meet the requirements of security strength as a way to avoid data leakage caused by Chanjet account password cracking.





Chanjet has been recognized by domestic and foreign authorities in many aspects including information security, network security, cloud service security, operation and maintenance security, etc. Currently, Chanjet has obtained four international certifications: ISO 27001 information security management system, ISO 27701 privacy information management system, ISO 27017 cloud service information security management system, and ISO 27018 personal identifiable information protection management system in public clouds. It also has multiple authoritative certifications including trusted cloud security standard assessment, and the level 3 certification of national information security protection.



ISO 27000 Information Safety Management System Standards Family Accreditation of Chanjet

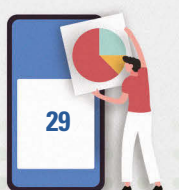
• **Scientific and technological innovation**

Chanjet keeps practicing the core values of “continuous innovation”. It has established and improved R&D incentive mechanisms and R&D management platforms. Chanjet pays attention to intellectual property protection, and promotes a clear “positive, diligent, innovative, and progressive” value orientation within the enterprise to accelerate the building of digital business platforms for MSEs.

**Innovative incentive mechanism**

Chanjet highly values R&D investment and innovation incentives. It has formulated various innovation incentive policies including the Patents Rewarding Measures (《專利獎勵辦法》), Chanjet Innovation Results Rewarding Measures (《暢捷通創新成果獎勵辦法》), the R&D Knowledge Sharing and Incentive Mechanism (《研發知識分享激勵機制》), and the Special Rewarding Scheme of R&D Center (《研發中心特殊激勵方案》) to encourage employees to dare to innovate and be willing to innovate. Chanjet also implements various incentive policies for employees who have contributed to R&D innovation:

- ★ Timely incentives: set up monthly evaluations, for which each department can apply according to the size of the team. The final approval will be made by the R&D center;
- ★ Targeted incentives: targeted incentives will be made for teams or individuals who have overcome difficulties in R&D work, completed R&D work beyond expectations, and made outstanding contributions to product quality;
- ★ Supplementary incentives: set up evaluations in the semi-annual and year-end summary plans as a supplement to timely incentives and targeted incentives.



### R&D platform management

Chanjet continues to build, practice, and improve the R&D process, and has established a systematic and procedural R&D management platform, covering task flow and tracking, collaboration, defect management, review management, code management, construction and continuous integration, environmental deployment and release, online management, asset management, delivery quality management, etc. It also monitors and analyses the actual operation through the data collected on the platform to ensure the refined and digital management of the entire R&D process by the R&D team.

### Protection of intellectual properties and brand

In strict accordance with the Trademark Law of the People's Republic of China (《中華人民共和國商標法》), the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), the Interim Procedures on Internet Advertising Management (《互聯網廣告管理暫行辦法》), the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), the Patent Law of the People's Republic of China (《中華人民共和國專利法》) and other relevant laws and regulations, Chanjet has formulated internal management policies such as intellectual property protection mechanisms and patent management measures, and implemented a series of related measures:

- ★ Formulate the annual patent application target and follow up the completion status;
- ★ Introduce external lecturers to provide trainings on patent document preparation;
- ★ Regularly organize internal patent review, submit patent materials according to the review results, follow up on the status of the authorization process, manage patent-related matters in a closed-loop, and file for record;
- ★ Develop the Chanjet Brand System Management Specification (《暢捷通品牌體系管理規範》), establish a complete Chanjet brand system, clarify the organizational structure and responsibilities of brand management, and standardize the management of the use of Chanjet brand, business brand, and product brand; regularly update and publish the "Visual Identity System Management Manual (視覺形象識別系統管理手冊)", which is applicable to various advertising, publicity, online and offline activities, internal and external architectural decoration of the Group, and brand usage scenarios of authorized partners, to ensure the standardization and uniformity of corporate images.

The performance indicators of Chanjet in respect of patent innovation in 2022 are set out as follows:

Indicators	Unit	2022	2021	2020
Investment in R&D	(RMB0'000)	<b>27,172.5</b>	24,255.7	16,168.8
Percentage of investment in R&D over sales income	(%)	<b>40</b>	41	32
Cumulative patents licensed <sup>note</sup>	(pieces)	<b>97</b>	100	84
Newly licensed patents	(pieces)	<b>23</b>	16	8

Note: The above-mentioned indicator data was the number of cumulative patents licensed within the validity period.





• **Quality service**

Chanjet attaches importance to customer opinions and feedback with an aim to continuously improve service quality. Chanjet has developed and revised internal systems including the Chanjet Service Quality Management Manual (《暢捷通服務質量管理手冊》), the User Operation Centre Employee Manual (《用戶運營中心員工手冊》), the Customer Service Centre Support Procedures (《客戶服務中心支持程序》), and the Customer Standard Training Procedures (《客戶標準培訓程序》) to strengthen communication with customers, smooth channels of collecting customer feedback, and strictly implement the customer complaint handling process.

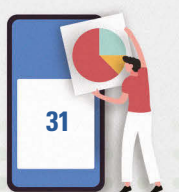
Chanjet has received multiple authoritative approvals in terms of customer service. With its strong technical strength, adherence to the belief in honest management, well-established service system, and high user reputation, Chanjet was successfully selected into the lists of 2022 Beijing Enterprise with Commitment to Integrity Operation and the Customer Satisfaction Enterprise of Beijing issued by the Beijing Social Enterprise Quality Association.



**Customer problem feedback**

In order to understand customers' needs in a timely manner, Chanjet has established various channels for customer communication:

- ★ Set up instant messaging function within the product, which can directly connect to the service engineer, facilitating users' timely access to services;
- ★ Set up an official service hotline to assist customers in solving problems;
- ★ Establish an online service community, with service engineers online for 15 hours a day to quickly solve customer problems;
- ★ Provide unified answers to questions in different accounting fields and products through quick search within the WeChat subscription account of Chanjet service;
- ★ Set up an intelligent service robot, covering five major functions: online service, Fubao micro class, finance and taxation knowledge, contacting suppliers, and lucky dip of Fubao, and users can access the "personal centre" and "information centre" to communicate in time to solve product problems efficiently.



To ensure service quality, Chanjet has established a complete supervision system. The quality supervisor of Chanjet conducts telephone return visits to the completed on-site maintenance work, fill in the return visit content according to the return visit template of work orders, and score customer satisfaction. The quality supervisor then reports the case of low satisfaction in the telephone follow-up to the manager, who will revisit the customer to understand the service situation, identify the reasons for low satisfaction, and develop preventive and corrective measures to avoid similar situations and record the handling. In addition, Chanjet requires quality supervisors to regularly classify and analyse the satisfaction content of return visits in the management system to further improve service quality.

### Customer complaint handling

Chanjet attaches great importance to customer complaints and takes them seriously. Chanjet has developed the Complaint Handling Procedure (《投訴處理程序》) and other systems, and has established a complete customer complaint handling process. The quality supervisor of Chanjet is responsible for accepting, recording, classifying, and reviewing customer complaints submitted nationwide through telephone, letter, fax, and email, etc., and ensures that the complaint opinions are submitted to the relevant responsible personnel within 2 working hours. The quality supervisor will feed back the processing results to the customer within 2 working days. For serious complaints, the quality supervisor will feed back the handling results to the customer within 4 working hours to properly handle the customer relationship.

Chanjet monitors and tracks the complaint handling in real time, records and files the complaint handling results, analyses and summarizes the reasons for the complaints, proposes corrective improvements and preventive measures, and reports them to the department of service and development for the record. In addition, Chanjet requires quality supervisors to summarize and analyse customer complaint data on a monthly basis, and regularly issue analysis reports to relevant department managers, agency general managers, service managers and quality supervisors at the headquarters.

The performance indicators of Chanjet in respect of customer service in 2022 are set out as follows:

Indicators	Unit	2022	2021	2020
Number of filed customer complaints <sup>note</sup>	(items)	0	0	0
Satisfaction on customer service	(%)	86.10	87.60	87.60

Note: This indicator refers to the number of complaints recorded via the “12315” special line for complaints and reports of customers and nationwide internet platforms.





### 3.3 ANTI-CORRUPTION

Chanjet has always adhered to the principle of “maintaining integrity, pursuing long-term development, and fighting against corruption”. Chanjet strictly abides by business ethics, and maintains a “zero tolerance” attitude towards violations such as commercial bribery to practice a corporate culture of integrity and compliance with high standards.

- **Policies and systems**

In strict compliance with the Company Law of the People’s Republic of China (《中華人民共和國公司法》), the Audit Law of the People’s Republic of China (《中華人民共和國審計法》), the Law of Anti-Money Laundering of the People’s Republic of China (《中華人民共和國反洗錢法》) and other laws and regulations, Chanjet has formulated various systems such as the Internal Audit System (《內部審計制度》), the Code of Conduct for Employees (《員工行為守則》), the Code of Business Conduct for Employees, the Reporting Management System (《舉報管理制度》) and Provisions on Punishment of Violations Found in Audit and Supervision (《對審計監察中發現的違規行為的處分規定》) to ensure that the Group’s operations are compliant and lawful.

- **Supervision and administration**

Chanjet continuously improves the internal control and risk management system, and engages an independent internal control advisor to conduct regular review and issue internal control review reports and risk assessment reports, which are reviewed and approved by Chanjet’s Audit Committee of the Board and the Board.

The Group combines with actual operation and management evaluation to carry out special inspections for anti-corruption: conducting special audits through internal audits or by engaging third-party external audit institutions to inspect illegal acts.

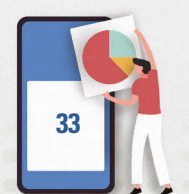
During the Reporting Period, Chanjet was not involved in any offence and violation cases in relation to commercial bribery, corruption, extortion, fraud or money laundering.

- **Whistleblowing channels**

Chanjet has established an audit and supervision department specifically responsible for anti-corruption reporting, and has continuously improved the reporting and handling processes including receiving reports, verifying, investigating and obtaining evidence, and handling violations. The Group opens multiple channels to receive reports of violations of regulations and disciplines, encourages whistle-blowers to report to the audit and supervision department and Audit Committee of the Company through email, telephone, letter, interview, and other means, and strictly keeps confidential whistle-blowers’ information and relevant content to ensure their safety.

- **Integrity training**

Chanjet provides targeted anti-corruption training to Directors and employees every year. During the Reporting Period, the Group organized all Directors and Supervisors to conduct training on the topic of “business ethics training for listed companies”, using learning materials prepared by the Hong Kong Independent Commission Against Corruption and the Hong Kong Business Ethics Development Centre, covering the corruption risks faced by directors, senior managers, and professionals during the preparation for listing, daily operations of the company’s business, acquisitions and mergers, and other links, and analysing issues related to corruption, fraud, conflict of interests, cross-border bribery, backdoor listing, and insider trading. All employees of the Group are required to study the Code of Business Conduct for Employees online every year, and sign a statement of compliance with the Code of Business Conduct for Employees after passing the relevant business conduct compliance knowledge test. The Group carries out annual value evaluation and compliance assessment for all employees, to strengthen their understanding of internal and external compliance behaviors, reporting methods for violations, and punishment. Meanwhile, new employees are required to be trained on compliance and values to avoid corruption from the source.



## 4. Community Investment

Chanjet actively undertakes corporate social responsibilities, focuses on collaborative development with industry partners, and is committed to injecting innovative vitality into the industry through its resource advantages in the information industry of MSEs. Through offline public welfare salons and online empowering activities, Chanjet makes efforts in digital intelligent transformation of MSEs.

### Case: Led by Digital and Intelligence · Digital Intelligent Development Series Activities for MSEs

Under the guidance of the “Led by Digital and Intelligence” program executive office of the China Academy of Information and Communications Technology, Chanjet and Alibaba Cloud jointly launched a series of digital intelligent development activities for small and medium-sized enterprises themed being “Led by Digital and Intelligence”. These activities lasted two months with six events successfully held in Nantong, Yangzhou, Suzhou, and Wuxi, which attracted over 2,600 people and covered over 1,200 MSEs. Chanjet invested approximately RMB200,000 in these activities. Chanjet actively contributed technical resources, shared exciting content such as digital intelligent transformation methodology, key points of finance and taxation practices for MSEs, and subsidies for corporate digital intelligent policies to comprehensively empower MSEs, and assist them in digital intelligent transformation and development.







**Case: Chanjet Accounting Culture Festival**

The 15th Chanjet Accounting Culture Festival of 2022, themed “Digital Intelligent Business and Finance for Enjoying Accounting”, was launched on 18 November 2022. Chanjet, together with partners from all over the country, invited industry experts and outstanding customer representatives from Chanjet to jointly explore the integration of business and finance of MSEs under the new fiscal and tax policies through various forms such as the “Week of Culture Festival” public service livestreaming course and offline salons to help MSEs upgrade management and expedite growth.

Since 2008, Chanjet has set up a festival for accounting practitioners – Accounting Culture Festival (會計文化節), which has been successfully held for 15 times so far. For every Accounting Culture Festival, Chanjet brings the latest development trend of the industry, concise, practical and reliable information sharing on finance & taxation as well as digital intelligent finance & taxation tools for accounting practitioners. The Chanjet Accounting Culture Festival allows accounting practitioners to have a festival of their own, and hopes that they will learn continuously with enhanced efforts and improve professional abilities through this platform.



**Hangzhou**



**Baoshan**



**Guangzhou**



**Chengdu**

**Case: Chanjet 520 “Benefiting Enterprises Together” Action**

On 20 May 2022, the 12th Chanjet “Benefiting Enterprises Together” initiative with the theme of “relieving difficulties and promoting development” was launched. Chanjet invited industry experts and representatives of outstanding companies in digital intelligent transformation to jointly explore how to support the transformation of MSEs through digital intelligent products. Through livestreaming and online salons, Chanjet helped managers of MSEs control financial and tax risks and overcome difficulties and challenges encountered in the process of growth and transformation through public welfare training, free management consulting, practice of digital transformation program, empowerment of market development tool, and financing application services.

## ESG Index Table

No.	Indicator description	Page
A1 Emissions	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(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.</p> <p>Note: Air emissions include NO<sub>x</sub>, SO<sub>x</sub>, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.</p>	P11-13
A1 Emissions	A1.1 The types of emissions and respective emission data.	P10
A1 Emissions	A1.2 Total greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P10
A1 Emissions	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility, per official employee).	Not applicable <sup>1</sup>
A1 Emissions	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility, per official employee).	P10
A1 Emissions	A1.5 Description of emission target(s) set and steps taken to achieve them.	P10-13
A1 Emissions	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets set and steps taken to achieve them.	P10, P13
A2 Use of Resources	<p>General Disclosure</p> <p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	P14
A2 Use of Resources	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).	P10
A2 Use of Resources	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P10
A2 Use of Resources	A2.3 Description of energy use efficiency, target(s) set and steps taken to achieve them.	P10, P14
A2 Use of Resources	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency, and description of target(s) set and steps taken to achieve them.	P10, P14
A2 Use of Resources	A2.5 Total packing material used for finished products (in tonnes), and, if applicable, with reference to per unit produced.	P10

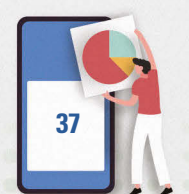
<sup>1</sup> Explanation: The Group has not produced any other hazardous wastes during its operation except electronic wastes. According to the latest relevant instructions of the Ministry of Ecology and Environment of the People's Republic of China, "electronic wastes" do not belong to "hazardous wastes", so this indicator is not applicable.





No.	Indicator description	Page
A3 The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Not applicable <sup>2</sup>
A3 The Environment and Natural Resources	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	
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.	P15
A4 Climate Change	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.	P15-16
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.	P17-18, P23-24
B1 Employment	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P19
B1 Employment	B1.2 Employee turnover rate by gender, age group and geographical region.	P19
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.	P20-21
B2 Health and Safety	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P21
B2 Health and Safety	B2.2 Lost days due to work injury.	P21
B2 Health and Safety	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P20-21
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	P21-22
B3 Development and Training	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P22
B3 Development and Training	B3.2 The average training hours completed per employee by gender and employee category.	P22

<sup>2</sup> Explanation: Given the business nature of the Group, the Group did not have any business activities that have a significant impact on the surroundings, so this indicator is not applicable.



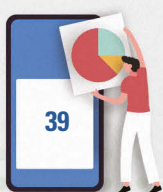
No.	Indicator description	Page
B4 Labor Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	P17
B4 Labor Standards	B4.1 Description of measures to review employment practices to avoid child and forced labor.	P17-18
B4 Labor Standards	B4.2 Description of steps taken to eliminate such practices when discovered.	P17-18
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	P25-26
B5 Supply Chain Management	B5.1 Number of suppliers by geographical region.	P26
B5 Supply Chain Management	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.	P25-26
B5 Supply Chain Management	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P25-26
B5 Supply Chain Management	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P25-26
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.	P27-28, P30-32
B6 Product Responsibility	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable <sup>3</sup>
B6 Product Responsibility	B6.2 Number of products and service related complaints received and how they are dealt with.	P32
B6 Product Responsibility	B6.3 Description of practices relating to observing and protecting intellectual property rights.	P30
B6 Product Responsibility	B6.4 Description of quality assurance process and recall procedures.	P27
B6 Product Responsibility	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	P28-29

<sup>3</sup> Explanation: The products of the Group are mainly delivered online, and the small proportion of offline products also are not involved in safety and health risks.





No.	Indicator description	Page
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.	P33
B7 Anti-corruption	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P33
B7 Anti-corruption	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P33
B7 Anti-corruption	B7.3 Description of anti-corruption training provided to directors and staff.	P33
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.	P34
B8 Community Investment	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	P34-35
B8 Community Investment	B8.2 Resources contributed (e.g. money or time) to the focus area.	P34-35





**畅捷通**  
*Chanjet*

暢捷通信息技術股份有限公司  
CHANJET INFORMATION TECHNOLOGY COMPANY LIMITED

