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# iDreamSky Technology Holdings Limited 创梦天地科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1119



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2022

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# **ABOUT THE REPORT**

# **Report Introduction**

iDreamSky Technology Holdings Limited ("iDreamSky", the "Company" or "We", Stock code: 1119) is pleased to present to the public its 2022 Environmental, Social and Governance Report (the "ESG Report"). This is our fifth ESG Report, which focuses on disclosing the key concepts, significant progress and performance results of the Company on environmental, social and governance ("ESG") issues.

## **Report Scope**

Unless otherwise stated, this report covers iDreamSky and its subsidiaries. The reporting period is from January 1, 2022 to December 31, 2022 (the "**Reporting Period**"). Due to the continuity and comparability of some of the data, some of the content in this report may need to be appropriately extended or retrospected as needed.

#### **Information Sources**

The information and data quoted in this report come from our official documents, statistical reports, internal statistics and relevant public materials.

# **Preparation Basis**

Following the "comply or explain" provisions of the Environmental, Social and Governance Reporting Guide (the "Guide") in Appendix 27 to the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company makes disclosure or interpretation based on its actual circumstances.

# **Reporting Principles**

This report has been prepared in accordance with the reporting principles set out in the "Environmental, Social and Governance Reporting Guide" of the Stock Exchange:

#### Materiality

This report engages with stakeholders to identify and evaluate current significant environmental, social and governance issues, taking into account the nature of the Company's business, how it operates and where it operates.

#### Quantitative

This report provides key performance indicators in quantitative terms, where feasible, with explanations to enable readers to assess and verify the performance of the Company's environmental, social and governance policies and practices.

#### **Balance**

This report discloses the Company's environmental, social and governance performance in a comprehensive manner based on objective facts and avoids statements or presentation formats that might inappropriately influence readers' decisions or judgments.

#### Consistency

This report uses consistent disclosure statistics for the current and subsequent years to allow readers to compare the Company's performance from year to year.

# **Reporting Commitment**

The Company undertakes that this report does not contain false records, misleading statements or material omissions, etc. The Board of Directors of the Company (the "Board") is responsible for the truthfulness, accuracy and completeness of the contents of this report.

# **Report Access**

The Report is prepared in both Chinese and English and published in electronic form on the Stock Exchange website at www.hkexnews.hk and the Company's official website at www.idreamsky.com. In the event of any discrepancy between the Chinese and English versions of the Report, the Chinese version shall prevail.

# **ABOUT US**

# **Company Profile**

iDreamSky is the leading digital entertainment platform in China. Headquartered in Shenzhen, Guangdong Province, iDreamSky, which was founded in 2009, was listed on the Main Board of the Hong Kong Stock Exchange in 2018. The Company continues to focus on its core business of exquisite games and Fanbook. Through self-dependent R&D, as well as cooperation with third parties, by using self-developed digital technology, the Company has built a diversified scenario, achieved long-term operation of multiple star products, and continuously brought joy to users.



**Mission** 

Bring joy to users



Vision

Become a "global leading technology-enabled IP operator"



**Value** 

Integrity, openness, professionalism and enterprising

#### **Business Overview**

#### **Gaming Business**

iDreamSky focuses on the refined operation of self-developed exquisite games, with a major focus on three major tracks: competitive games, match-three puzzle games and RPG(Role-playing Game) games. In this year, we have successfully launched several self-developed games, including Merge Endless (傳說中的合合島) and Final FireFly (小心火燭), and reserved several self-developed games, including Calabiyau (卡拉彼丘) and Ni No Kuni: Cross Worlds (二之國:交錯世界). At the same time, we participate in the publishing business of mid and hardcore games by converting overseas high-quality console and PC games into mobile games, by way of investment and customized products.

#### Fanbook business

iDreamSky continues to improve the stickiness of existing users, and launched Fanbook, a user community operation management tool based on servers + channels, in July 2021. We gather game content creators in Fanbook to help merchants connect directly with users and achieve better user activation and insight. In addition, Fanbook also contains multiple application scenarios of artificial intelligence generated content (AIGC), which can realize high-frequency interaction between brands and users, as well as between users in the society, and help us to serve users more accurately. During the Reporting Period, the number of Fanbook users exceeded 10 million, the number of daily active users exceeded 1 million, and multiple servers with millions of users emerged.

# **Honorary Recognitions**

In 2022, iDreamSky won several awards and honorary titles for its outstanding performance in exquisite games innovation, social responsibility, innovative influence, and capital market communication. In February 2022, iDreamSky was awarded the honorary titles of 2022 Most Innovative Enterprise, 2022 Social Responsibility Award, 2022 Most Influential Online Game and 2022 Outstanding Contribution Award by Guangdong Entertainment & Game Industry Association. In August 2022, iDreamSky was awarded the Most Promising TOP20 by China International Electronic Information Expo; In November 2022, iDreamSky was awarded the Top 20 Growth Enterprises by Internet Society of China; In December 2022, iDreamSky was awarded the title of 2022 Cultural Inheritance and Innovation Enterprise by Southern Metropolis Daily, 2022 Social Responsibility Contribution Award by Game Daily and Capital Market Communication Innovation Team by Futu NiuNiu; In January 2023, it was awarded the title of 2022 Most Attention-grabbing Enterprise by Youxiputao.



Our products also performed well: in November 2022, our self-developed user community platform "Fanbook" was appraised as a product with "commercial space" by Internet Society of China; in December 2022, Merge Endless (傳説中的合合島) was awarded the 10th Best Casual Game by Game Tea House; in February 2023, Subway Surfers (地鐵跑酷) was nominated by China Audio-Video and Digital Publishing Association as one of the Top 10 Games of the Year 2022 — Excellent Mobile Game Category.

# MESSAGE FROM CHAIRMAN

2022 was a special year, in which we fought against the resurgence COVID-19 pandemic and welcomed the reopening of game publishing licences. After several years of continuous review and forward thinking, iDreamSky still adhered to our long-term development strategy of "focusing on and deepening the main business of games, and continuously improving innovation ability and product profitability" during the year. We will continue to adjust the stock of the game business segment, continue to improve the self-development innovation and operation capabilities of the game business team, and accumulate core capabilities and resources. At the same time, through digital tools, we will achieve pre-test verification and refine R&D results, continuously strengthen the ability to respond to customer needs, and improve product certainty and user experience.

#### Remain true to our initial aspiration, bring joy to users through technology

We continued to focus on developing and operating of match-three puzzle games and competitive games, deepened cooperation with RPG games, and continued to bring joy to users through technology empowerment. We reserved a number of self-developed games, such as Calabiyau (卡拉彼丘) and Ni No Kuni: Cross Worlds (二之國:交錯世界). In addition, a number of long-life cycle national games operated by us, such as Subway Surfers (地鐵跑酷) and Temple Run (神廟逃亡), achieved growth against the trend this year, which proved our long-term operational strength. With the gradual recovery of the release of game publishing licenses, we will gradually launch more exquisite games to bring better game experience to users. In 2022, we won a number of awards such as the "2022 Most Influential Online Game Enterprise (2022最具影響力網絡遊戲企業)" at the Guangdong Game Industry Annual Conference (廣東遊戲產業年會).

#### Symbiosis with users, bring inspiration to products through innovative tools

Through the development of Fanbook, a user community tool based on channel instant messaging, we achieved content communication between creators and core users and increased the user stickiness. At the same time, by applying inspiration to the product, we improved game creativity and production efficiency. At present, Fanbook has become an essential tool for the games operation with the achievement of users exceeding 10,000,000 and daily active users exceeding 1,000,000 this year. In the future, we will continue to create and enrich our scenarios through Fanbook+Al technology, and demonstrate the value of creativity in our products.

#### Actively fulfill our responsibilities, empowering society with practical actions

iDreamSky is a company with a strong sense of social responsibility. By actively implementing green and low-carbon development, participating in social welfare activities, we reduced our impact on the environment through various technologies and services, which has been recognized by domestic and overseas investors. In 2022, we made contribution to social welfare endeavors in various areas, including industrial development, rural education revitalization, urban cultural heritage, and disaster relief donations. At the same time, we have always been concerned about the growth of minors, and cooperated with organizations such as Green & Shine Foundation and Chen Xiangbo Art Public Welfare Fund (陳湘波藝術公益基金) focusing on supporting rural education in Central and Western regions. In terms of industrial development, we partner with Cyberspace Affairs Office of Shenzhen Municipality to jointly build a network data security protection mechanism to effectively protect data security and user privacy. In the face of disasters, we actively engaged in pandemic prevention and disaster relief work, assisting in emergency material procurement.

We advocate the use of digital power to achieve "Tech for Good" and use games as a communication vehicle to broaden the boundaries of social responsibility. In 2022, we continued to promote traditional Chinese culture through Subway Surfers (地鐵跑酷). Through Gardenscapes (夢幻花園) and Homescapes (夢幻家園), we partner with China Small Animal Protection Association to launch the "Dream Guardian Public Welfare Program (夢幻守護公益計劃)". Through Merge Endless (傳說中的合合島), We also partner with Dalian Forest Zoo to launch the "Red Panda Public Welfare Program (小熊貓公益計劃)" and other activities, thereby constantly exploring the way to integration of game technology with social responsibility. In the future, we will continue to leverage our strengths to contribute to the healthy and sustainable development of our society.

Take dreams as motivation and live it to the fullest. In the future, we will continue to remain true to our initial aspiration in innovation and heritage. Guided by high-quality development, we will unite with all employees, and cooperate sincerely with all sectors of society, to jointly promote sustainable development with a responsible attitude and a spirit of brave exploration.

#### Chen Xiangyu

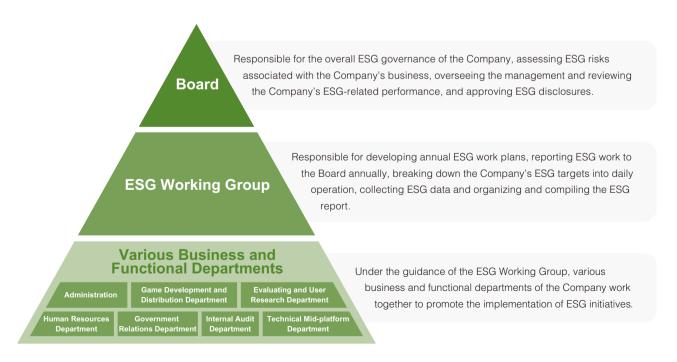
Chairman Shenzhen, the PRC, March 30, 2023

# **ESG GOVERNANCE**

A sound ESG governance system is the foundation for companies to efficiently fulfill their social responsibilities. To ensure the implementation of the Company's ESG strategy, and to continuously strengthen our ESG governance capabilities, the Board of iDreamSky has established the ESG Working Group, which is led by the Chairman and consists of key functional heads. Under the supervision of the Board, the ESG Working Group sets annual goals, which are broken down into quarterly and monthly work plan by making full advantage of the Company's OKR management system. Its specific tasks include:

- (1) Ensure that ESG factors are fully taken into account in the development of the Company's strategy and business operations;
- (2) Implement effective management of ESG risks and establish mechanisms to regularly review related risks and the effectiveness of response actions;
- (3) Guide each functional department to carry out ESG work, such as participating in materiality assessment, collecting data on key ESG indicators, and compiling ESG reports, etc.

The ESG Working Group reports regularly to the Board on ESG-related risks and opportunities that are relevant to the Company's development, as well as the strategies and actions taken accordingly. In terms of daily management of ESG-related areas, we have established a series of management systems to effectively guide the Company to fully integrate ESG into business operations, management and decision making in order to better fulfill our ESG responsibilities. At the same time, we strictly comply with the latest requirements of the Hong Kong Stock Exchange on ESG corporate governance, and draw on the experience of local companies with outstanding ESG performance to continuously improve our ESG governance framework and enhance our governance capabilities.



iDreamSky ESG Governance Structure

#### Stakeholder Communication

We attach great importance to communicating with various stakeholders, including the government, investors, shareholders, users, suppliers, and employees. We continuously improve our communication mechanisms to keep abreast of their expectations and suggestions on our ESG performance and use them as a basis to continuously improve our ESG strategy and plans, so as to build a solid partnership with all stakeholders and jointly promote the coordinated and sustainable development of economy, environment and society. Our communication channels include but not limited to regular meetings, satisfaction surveys, WeChat public account and official website, and we have sorted out and responded to the expectations and requirements of various stakeholders as follows:

Stakeholders	Expectations and Demands	Our Response
Users/Customers	Product quality Information security Service quality Protection of rights and interests	User/customer service hotline User/customer satisfaction survey Compliance marketing Game innovation Network security permission setting
Shareholders and Investors	Business performance Investment return Risk control Corporate transparency Strategic planning	Holding general meetings Daily information disclosure Improving profitability Optimizing internal control and risk management
Government and Regulators	Pay taxes in accordance with the law Comply with the law Respond to the national call	Operate in compliance with the law Pay taxes on time Actively implement relevant policies Proactively assume social responsibilities
Employees	Compensation and benefits Career development platform Healthy and safe working environment	Perfect the career promotion mechanism Competitive salary and welfare guarantee Good working environment Training and development
Suppliers and Business Partners	Good faith cooperation Business ethics and reputation Product and service quality	Build sustainable supply chain Deliver contract on time Carry out project cooperation
Society and the Public	Support social welfares Protect the natural environment	Participate in charity Share development achievements

## **ESG** Issue Materiality Assessment

We conduct questionnaires research and face-to-face interviews to understand the issues of concern to stakeholders, assess the materiality of each ESG issue to the Company's business development and the degree of concern to stakeholders, rank the importance of ESG issues and compile an materiality matrix, determine the focus of disclosure in this report, and actively respond to the expectations and demands of various stakeholders.

Steps for ESG issue materiality assessment of this year:

ESG Issue Identification	Based on the Company's existing business, the applicable topics were selected from environment, employment practices, product responsibility, corporate governance and other scopes, taking into account the ESG reporting guideline requirements and industry ESG management priorities.
Stakeholder Research	Invited internal and external stakeholders to rate the materiality of the selected topics and collected their opinions and expectations on the Company in terms of ESG management; based on the rating results, we determine the materiality ranking of ESG issues and create an importance matrix.
Board Review	The stakeholder research and materiality ranking results will be submitted to the Board for review, in order to confirm that the identified issues have an impact on the Company's business and stakeholders.
Disclosure and Response	Determined the disclosure focus of this report based on the assessment results

and determined the ESG governance plan for the next year.

of materiality issues; analysed and discussed the key stakeholder concerns;

#### iDreamSky ESG Issue Materiality Matrix



Importance to our business

	2022 iDreamSky ESG Materiality Ranking Table			
1	Product quality and safety	10	Customer relationship management	
2	Product R&D and innovation	11	Public welfare and charity	
3	Preventing minors from becoming addicted to games	12	Employee training and development	
4	Intellectual property protection	13	Employee care	
5	Compliant operation	14	Business ethics and anti-corruption	
6	User privacy protection	15	Good working environment	
7	Retaining of talent	16	Supplier management	
8	Data security	17	Energy-saving measure	
9	User satisfaction	18	Greenhouse gas emission	

# **INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION**

iDreamSky is gradually improving its compliance management system by continuously optimizing and upgrading compliance regulations, providing compliance training for management, improving protection measures for whistleblowers and improving the supplier procurement process. These measures are aimed at enhancing employees' awareness of compliance, improving the Company's compliance management level, fostering a culture of integrity within the Company, and promoting a healthy and stable development of its various business.

# **Anti-corruption**

iDreamSky has always advocated and promoted a culture of integrity. The Company abides by the laws and regulations of the countries and regions in which it operates, such as the *Criminal Law of the People's Republic of China, the Law of the People's Republic of China Against Unfair Competition, and the Company Law of the People's Republic of China*. We have a zero-tolerance policy towards unethical behavior such as bribery and fraud, trickery, false reporting and commercial bribery, and we regard "zero-tolerance policy" as a bottom line that we must adhere to in our daily business operations. We have established a sound internal control and audit supervision system, a smooth reporting channel, and implemented measures such as anti-corruption training and regular special audits to continuously enhance the effectiveness of the Company's supervision and governance, aiming to prevent, detect, and stop any possible violations within the Company. In 2022, the Company did not have any major corruption, fraud or other bribery-related lawsuits.

#### **Upgrading of management system**

We uphold a corporate culture of "Honest, Open, Professional, Enterprise". We review the content of anti-fraud related systems on a regular basis, and revise and update them based on previous experience to ensure that they comply with current legal norms and the Company's current management status. In this year, we conducted a comprehensive review of the Company's existing systems and upgraded several management systems, such as the Employee Handbook, Sunrise Code of Ethic and Game Business Operation Quality Management Measures, which provide detailed guidelines and requirements for employees' business ethics, and fully inform them of the consequences of violating relevant regulations.

Integrity is a core value of the culture at iDreamSky, and to ensure that our actions align with our values, in this year, we conducted daily training and promotion for all employees and require all employees to use these requirements as the bottom line for their own behavior standards:

False partnership/project information Falsifying work report/bids False reimbursement Falese leave Falsifying attendance records

Falsification

Engaging in activities that compete with the company, including but not limited to self-employment or participating in business that competes with the company during the period of employment

Unfair competition

Soliciting, accepting bribes or kickbacks, borrowing from suppliers/partners

Act of accepting bribes

Using the company's Business or transactions to directly or indirectly realize personal gain for itself, family members, friends or other stakeholders

Conflict of interest

Leakage of company trade secrets or internal sensitive information causes adverse consequences and effects inside and outside the Company

Breach of confidence

Using the position or company resources to seek personal benefits or for non-work purposes, resulting in losses for the company.

**Abusement** 

#### iDreamSky's Sunrise Code of Ethic

# Improving reporting mechanism

To discover and receive reports of violations on a wider scale, we have established a whistleblower reporting system and recorded it in the Sunrise Code of Ethic, which clearly communicates the Company's zero-tolerance policy towards corruption and fraudulent behavior to its employees, suppliers and partners. We have established a comprehensive anti-corruption reporting procedure, with multiple channels for reporting, such as the reporting mailbox and hotline. We encourage all employees, suppliers and other stakeholders to report any incidents involving commercial bribery, corruption or fraudulent behavior. At the same time, we ensure the confidentiality of the whistleblowers' personal information within the scope permitted by laws and regulations, and take corresponding measures to protect them from retaliation. For employees who violate laws and regulations, the Company has the right to terminate their employment contract and pursue legal responsibility. In 2022, we did not receive any reports of corruption or fraudulent behavior.





#### Creating a culture of integrity

We actively promote and maintain a culture of integrity within the Company through a variety of measures. In 2022, the Company provided a special education and training program on integrity for the Board and promoted management personnel. Through the promotion of integrity and compliance with laws and regulations, as well as scenario-based case studies, such program was designed to explain corrupt practices that can arise in business, promote integrity culture to management personnel, raise their awareness of integrity and prevent violations and fraudulent behavior from occurring. In this year, we conducted two training sessions on legal compliance and anti-corruption for the Board and management. The training content includes the rules for independent directors of listed companies and continuous responsibility of directors of listed companies, as well as analysis for violation penalty cases.

We regularly conduct special audits on anti-corruption, which makes the incorruptible culture deeply rooted in our Company. As of December 31, 2022, we have completed a special audit of the entire process of advertising placement and procurement, and evaluated the establishment and implementation of risk management and internal controls through identification of significant risks in the Company's procurement process, with the goal of correcting and preventing mistakes.

#### Standardized incorruptible procurement

We require our employees and suppliers to strictly comply with laws and regulations such as the Law of the People's Republic of China Against Unfair Competition, and have established a sound procurement system and management measures. We uphold the principles of fairness, impartiality and transparency to establish good business relationships with suppliers. In 2022, we required all suppliers to proactively fill out self-inspection documents, sign the Statement of iDreamSky on Anti-Bribery Behavior and a confidentiality agreement, to ensure that all actions comply with business ethics during the contract period, so as to prevent fraudulent activities. If any dishonest behavior of supplier is discovered during the performance of the contract, once verified, we will immediately terminate the cooperation and add the supplier to a blacklist.

We also require all procurement personnel to sign the Professional Conduct Commitment to abide by the business ethics code, maintain the confidentiality of business secrets of the two parties, and regularly receive training on incorruptible behavior provided by the Company, with a view to enhance their self-discipline in business and thought, and raise their awareness of illegal and unethical behavior.

# **Strengthening Compliant Operation**

While striving to improve our business performance, the Company is committed to gradually improving its compliance governance system and effectively raising its compliance management level. We have conducted compliance training to enhance employees' compliance awareness and ensure the healthy and steady development of our various businesses.

In 2022, we added responsible persons from each business department to the existing compliance committee, who worked together with the CEO, legal department, internal audit department, government relations department, and general office to review and update management systems and regulations related to compliance. We have established a checklist for compliance inspections and regularly summarized compliance governance dynamics, as well as followed up on the implementation and development of various compliance matters. In addition, to adapt to the development of our gaming business, we have embedded compliance checkpoints into the product development and launch processes and revised the Game Publication and Operation PR Process by adding financial risk warning checkpoints and implementation and testing of compliance requirements, as well as other related contents.

We have always adhered to the concept of "self-discipline over law" and continued to carry out a series of compliance management related work, promoting the compliance of network security, data security, and personal information protection. At the institutional level, in 2022, the Compliance Working Group reviewed the Company's compliance management related systems and normative documents such as the Content Review System of iDreamSky and the Illegal and Harmful Information Complaint Handling Mechanism of iDreamSky. In addition, the compliance committee has continuously strengthened its close cooperation with business departments and continuously improved the daily business operation compliance management mechanism. In terms of personal privacy protection, we have conducted personal information protection compliance reviews of key products; in terms of product compliance, we have conducted self-inspections of text regulations for various game publications, and compliance evaluations before the launch of games. In addition, we have conducted a series of compliance work, such as user profile function compliance evaluations, for our newly developed Fanbook community, in order to optimize the Company's compliant operation and build a solid foundation for the Company's long-term healthy development.

The Group strictly complies with the relevant requirements such as the Advertisement Law of the People's Republic of China, the Pricing Law of the People's Republic of China, the Electric Business Law of the People's Republic of China and the Product Quality Law of the People's Republic of China when publishing works. The Group insists on the dissemination of responsible film and game content and eliminate negative content promotion or other non-compliance.

#### **Compliance training**

We actively advocate for and maintain a culture of compliance within the Company. During the Reporting Period, we conducted one information confidentiality training and four compliance training activities for all employees, covering topics such as corporate data security management, sharing of art-related compliance review case studies, and training on identifying non-compliant collection and use of personal information in APP. Through diverse and rich training methods, we provide employees with compliance knowledge, promote compliance culture and enhance employees' compliance awareness. During this year, we did not discover any serious illegal or non-compliant behavior.

#### **Network Environment Governance and Protection**

Network information security protection is an important measure for the Company to maintain its core competitiveness. iDreamSky has continuously strengthened the construction of internal and external network information security protection systems, and established security scenarios covering all business lines, to maximize the prevention of data and information security risks, thereby enhancing the Company's network security protection capabilities.

#### **Network security protection**

To effectively maintain the core network security and data security of the information system and achieve standardized and institutionalized network security management, we strictly abide by laws and regulations such as the Law of the People's Republic of China on Data Security and the Law of the People's Republic of China on Network Security. Based on the problems discovered during practical operation, we have formulated the Principles of Network Security and Data Security Management, and strictly complied with the following 5 management principles. At the same time, we have established network security and data security responsible persons to assist various departments in participating in and implementing the Company's various network and data security management goals and requirements.



#### **Legal Compliance**

We strictly abide by the requirements of the Data Security Law, the Cvbersecurity Law and other laws and regulations, as well as the relevant requirements of regulatory authorities, to establish and improve the data security management and governance system, and enhance the Company's data security protection capabilities.



#### **Full Coverage**

Covering all business operations, departments, and employees of theCompany, and spanning all aspects such as decision-making, implementation, supervision, and feedback.



#### Effective Implementation

Based on the Company's operational situation, we will scientifically design and establish a reasonable system for data collection, management review and supervision to ensure the operability and effective implementation of the network security and data security management regulations.



#### Coordination

Each department and staff are responsible for coordinating and synchronizing activities in various departments and processes in accordance with the established policies and procedures, ensuring the continuity of network security and data security management activities.

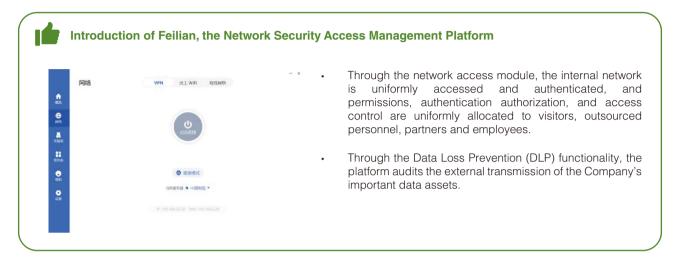


#### Classification

In accordance with legal and industrial requirements, the Company should classify and manage its data and network environment. andprovide graded protection. In particular, data classification should haveclear boundaries. with each data item belonging to only one category andone level, as a general rule.

**Principles of Network Security and Data Security Management** 

In 2022, we upgraded the Company's office network security facilities by introducing Feilian, the new generation of digital office IT infrastructure developed by ByteDance, as a network security access management platform.



#### Network Security Access Management Platform of iDreamSky in 2022

Based on national network security standards such as Basic Requirements for Classified Protection of Network Security and Technical Requirements for Security Design of Classified Protection of Network Security, the Company insists on the overall protection strategy of "partition, classification and domain" for network construction and operation, implements the hierarchical protection system of network security, and installs multi-level anti-virus software. The technical mid-platform department is responsible for detecting and recording network operation status. Meanwhile, we classify various data according to the Guidelines for Data Classification and adopt security protection measures such as backup and encryption for data of different levels. Regarding data usage, we require users to be aware of its sensitivity and legality, and to regularly summarize and review the Company's operation and maintenance.

In addition, confronted with increasingly complex and diverse attack methods and a more challenging security environment in the gaming industry, the Company has purchased CC protection and BOT management function module of Tencent Cloud Web Application Firewall (WAF) to effectively combat new forms of attacks such as malicious BOT (Robot) traffic and CC (Challenge Collapsar) attacks, and to prevent large amounts of malicious IP addresses from registering accounts in bulk and occupying bandwidth and server resources, which effectively mitigates the server's workload and ensures the normal access of users to the gaming platform by effectively addressing abnormal access caused by script tools, proxies, Internet Data Centers (IDC), and BOT.



#### **Tencent Cloud WAF Firewall Strengthens Application Security Defense Line**

As the first step, iDreamSky implemented CC protection settings to accurately control the access frequency from the client-side and to initially alleviate the workload on the server.

As the second step, BOT behavior management was configured to handle visitors from script tools, IDC, proxies and those

that comply with BOT characteristics, so as to eliminate a large amount of malicious access BOT and its variants, and automate the response to malicious BOT requests by the attacker, thus reducing the server's workload.

As the third step, filtering policies were implemented to accurately control all requests from the client-side and ensure the normal operation of the network.

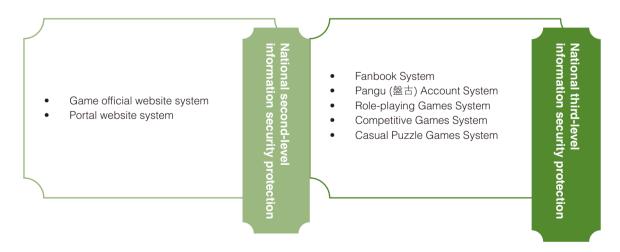
By using the above methods, iDreamSky effectively solved the problem of server's workload and ensured the normal use of the trading platform.



#### **Tencent Cloud WAF Firewall**

#### Information Security Rating

In 2022, we conducted 7 information security rating assessments in accordance with the relevant provisions of the Regulations on the Graded Protection of Information Security. Among them, we passed the national second-level information security rating assessment for two items and the national third-level information security rating assessment for five items. The results of the information security rating assessment met the Company's requirements for network security level, which should not be lower than the second level in principle.



2022 Information Security Rating Assessment Work

#### Data security protection

iDreamSky strictly complies with the laws and regulations such as the Law of the People's Republic of China on the Protection of Personal Information, Law of the People's Republic of China on Data Security, and Law of the People's Republic of China on Network Security, and continuously strengthens the construction of its data security management system to actively protect the intellectual property and business interests of data owners. In order to achieve standardized and institutionalized network management, and protect the core network security and data security of information systems, we continuously improve the Management Regulations on Network Security and Data Security and the Data Security Emergency Plan, and strengthen the management and control of data classification, to establish data security incident classification and disposal mechanisms, and timely communicate security incidents and vulnerabilities.

#### Data classification and management

The Company's network data security places user privacy protection as the core goal. When collecting and storing users' personal information, we strictly evaluate the data security risks according to relevant laws and regulations, as well as internal network data security management principles. The chief information officer of the Company is responsible for supervising the effective implementation of work related to data security objectives by various departments. At the same time, the technical center department is responsible for coordinating with the business departments, in making plan for, creating and deploying the Company's daily network products and services, and conducting the security management of data throughout its lifecycle, thereby ensuring that data security business risks are effectively controlled.



#### **Example of Game Data Classification**

Network game service data refers to the data directly collected or generated by the network game service platform during the process of providing network game services. It is mainly divided into two categories: user data and business data.

Based on the importance, sensitivity, risk of data leakage, and relevant legal requirements and regulations, network game service data is classified into 4 levels.

#### Non-sensitive data

01

Data that can be publicly accessed or set to be publicly released by users.

# Sensitive data

03

Data required for internal management and business operations, which should not be widely disclosed, has high commercial value. If unauthorized leakage occurs, it can directly or indirectly cause adverse effects or damage to users and business operations.

#### Relatively sensitive data

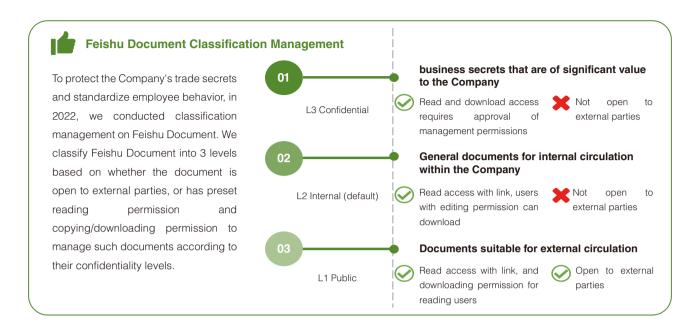
02

To open data on a large scale may cause minor or insignificant negative impact on our business or users, except for those need to be open to a specific group of users or business due to their requirements (authorized by the owner to be open within a specific scope).

### Highly sensitive data

04

It refers to data that has extremely high commercial value and even a small amount of leakage can cause serious adverse effects and damage to the business and users



As of December 31, 2022, we have not found any security defects in network products and services. In the future, we will continue to strengthen our awareness of data security, monitor and troubleshoot abnormal behaviors, and timely optimize defense measures and response mechanisms.

#### Risk monitoring and response

Emergency response to security incidents is an important part of iDreamSky's security operations. We are constantly improving the *Security Emergency Plan* for Data and have established a standardized classification response mechanism based on the nature, mechanism and occurrence process of network security incidents. We have also assigned responsibilities to relevant departments. In 2022, we added an emergency plan for processing critical information.



## INTEGRITY - HONEST IDREAMSKY, NETWORK PROTECTION

At the same time, to maintain the security of the network data of the Company, ensure emergencies are dealt with as quickly as possible, and reduce data loss of the Company, we have specially-assigned person for assistance in execution of related emergency management procedures, including safety management supervisor responsible for closely monitoring. If the security vulnerability, loophole, or other risk is discovered in our network products and services, we will take immediate remedial measures and report it to the emergency response leader in a timely manner. In the event of adverse incidents, person in charge of emergency response in the technical platform department and the operation & maintenance team shall respond as soon as possible at the requirement of the Company, find out causes of the incident, and conduct data recovery and reconstruction. In case of failure to recover, the members of the Emergency Response Committee shall immediately requests support from relevant service providers; After the incident, the members of the Emergency Response Committee shall organize relevant personnel to review the incident and prepare a review report, with long-term retention of security incident-related records.



We have formulated the Emergency Failure Response System and committed to maintain a "7 days\*24 hours" response for emergencies in operation and maintenance. In addition, the Company conducts remote disaster recovery drills every year to ensure that one-click remote disaster recovery switchover can be completed in a short time when a system stops working unexpectedly, and operations are not affected after the switchover, ensuring business continuity. In 2022, the Company did not experience any risk incidents related to the disclosure of user personal information or threats to company data security.

#### Protection of user personal information

iDreamSky is committed to respecting and protecting the personal information and privacy of our users. We continuously optimize our privacy protection system, and develop comprehensive internal policies and regulations, to ensure that our users' personal privacy is effectively and fully protected.

As the highest decision-making and executive body of the Company for user personal information protection, iDreamSky's Compliance Committee is responsible for establishing and effectively implementing internal systems of the Company for user personal information protection. Meanwhile, in order to facilitate the management of personal information protection, we have also appointed the Personal Information Protection Officer and developed the *Operational Guidelines for Assessment of Impact on Personal Information Protection* to help the Company effectively evaluate compliance processes and legal risk assessment processes related to the handling of personal information. We also regularly monitor and check the implementation of relevant systems and procedures.

We proactively disclose our personal information protection policy to users and explain the purpose, method, scope and rules of information use to them, seeking their consent when providing network products and services, so as to protect the rights and interests of users' personal information. We to the minimum extent collect the necessary user information in the course of business development, avoiding over-collection of unnecessary personal information. We fully respect users' autonomy, and if personal information exceeds the claimed scope or purpose of collection, we will inform the user before use and obtain their authorized consent again. At the same time, we require all relevant personnel who may come into contact with user information to fulfill corresponding confidentiality obligations. We shall follow the following 6 basic principles when collecting, storing, utilizing, processing, transmitting, providing, disclosing and deleting personal information of users:



#### **Principles of User Privacy Protection**

In addition to establishing corresponding user personal privacy and security management systems, we have also simultaneously strengthened the compliance management of the Software Development Kit (SDK) and continuously improved the quality of SDK, access to third-party dependent libraries and technical means of information collection, transmission and storage to ensure the security and privacy of data. At the same time, we have strengthened the regulation on R&D operation behaviors of employees and established corresponding acceptance or testing standards. Furthermore, we have signed a series of cloud service purchase agreements with Alibaba Cloud and Tencent Cloud, using external large-scale cloud servers to back up our data, so as to ensure that damaged files can be restored in a timely manner after malicious attacks. In 2022, we have also implemented hash encryption for user personal privacy data and added three backup copies for important data.

## The highlight on the Protection of User Personal Data of the Company in 2022

The approval system and process have become more rigorous, with additional approvals from business, middle office and internal audit departments



#### **Protection of Minors**

iDreamSky has continuously upgraded its measures for protecting minors, by creating a safer online environment for them through real-name authentication, age-appropriate tips, game duration and consumption, and other measures to promote their physical and mental health. During the Reporting Period, we continued to implement measures for protecting minors in accordance with national regulatory requirements, and further strengthened our efforts to protect minors by optimizing our management system for minors, promoting healthy gaming and anti-addiction information, and building a safety net for minors playing games.

In 2022, iDreamSky paid particular attention to the issue of minors' addiction to online games. Subject to strict compliance with industrial regulations, such as the *Provisions on Network Protection of Children's Personal Information* and the *Notice on Preventing Minors from Indulging in Online Games*, it continues to implement the *Administrative System for the Protection of Minors*, the *Convention on Self-regulation of Online Game Industry*, the *Children User Agreement* and other systems. Moreover, it has added the *Minor Player Protection System*, established a child care and protection platform, and introduced a child privacy policy and user agreement.

# Real-name Authentication

Strictly implement the real-name registration and login requirements for online game user accounts, fully access to the "Real-name Online Game Authentication System" issued by the National News Publication Bureau, and provide game services to users only after they complete the real-name authentication.

# Age-appropriate Tips

iDreamSky participated in the drafting of the group standard of "Age-appropriate Tips" initiated by China Audio-video and Digital Publishing Association. Online game login interface, official website and pipeline download interface display age-appropriate tips icon and age-appropriate tips introduction, assisting minor users to choose games.

#### Anti-addiction

We require that all games must access to the "Online Game Anti-addiction Real-name Authentication System" issued by the National News Publication Bureau before being launched online. Game development teams are obligated to periodically test the effectiveness of the anti-addiction measures in their games.

# Childcare and Protection

Parents can provide legal proof of guardianship, game account information, and their desired level of restriction to impose restrictions on accounts of minors who are addicted to games, including restricting game duration, account bans and account cancellations.

#### Child Privacy Policy

Children must have an account created by their guardian and obtain their guardian's consent before using all or part of our network services provided.

#### Childrens' User Agreement

Including collection, use, and protection of childrens' user information, game service content, use of services of iDreamSky by minors, standalone game special instructions, local legal regulations, customer service contact information and other contents.

#### Limited Time

Minors only have access to the online games for one hour from 20:00 to 21:00 on every Friday, Saturday and Sunday and statutory holidays. At all other times, online game services shall not be provided to minors in any form.

# Limited Consumption

under 8 Spending is not allowed
8-16 Up to RMB50 per time
Up to RMB200 per month
16-18 Up to RMB100 per time
Up to RMB400 per month

# Controls over Content

The Company strictly controls the content of our products and does not accept vulgar games. We conduct trial plays and evaluations to reject vulgar culture such as pornography, gambling and drug, and are committed to providing high-quality games that are healthy, positive and uplifting for young people.

**Protective Measures for Minors in iDreamSky** 



#### Double High Limit System of Subway Surfers (地鐵跑酷)

In 2022, in response to the explosive growth of users brought about by Subway Surfers (地鐵跑酷), iDreamSky implemented two measures to address different levels of high frequency and high amount of recharge behavior, namely "Quiz Recharge" and "Recharge Cooling-off Period", to prevent minors from recharging blindly or without their parents' knowledge.



#### **Junior Limitation**

As for Quiz Recharge, a question pop-up window will appear, and normal payment can be made after answering the question correctly; Before the expiration of the limitation measure, a question needs to be answered for each recharge.



#### Advanced Limitation

Recharge Cooling-off Period means entering a 30-minute cooling-off period after each recharge; Before the expiration of the limitation measure, there must be a 30-minute interval between every two consecutive payments.

#### Developing industrial standards and group standards

Through drafting, initiating and participating in the development of industrial standards and group standards, iDreamSky can better fulfill its social responsibility, promote industrial compliance and health, as well as high-quality development. In 2022, iDreamSky and Shenzhen Network Information Office jointly established "the Joint Protection Mechanism for Network Data Security". We joined hands with representatives from 14 Internet companies in Shenzhen at the "Shenzhen 2022 Network Data Security Joint Protection Conference" to jointly sign a self-discipline commitment letter and solemnly make to the public more than 10 self-discipline commitments related to strengthening personal information protection, so as to effectively safeguard network data security and user privacy security, and improve users' sense of happiness and achievement in the online space.



Shenzhen 2022 Network Data Security Joint Protection Conference

# **Suppliers Management**

iDreamSky follows honest, upright and fair values to establish good and stable partnerships with suppliers. We are committed to advancing and growing together with our supplier partners. To optimize supplier management, we have established a full-process supplier management system and a core supplier database, and strictly controlled supplier quality in each link. In 2022, we continued to use the Measures for Management of Admission of Suppliers and other procurement-related systems, and in accordance with the requirements of the Procurement Department Management Manual, we unified and regulated the full-process management procedures for supplier access, information maintenance, performance management, and elimination in the Company's procurement business. At the same time, we have added relevant clauses regarding suppliers' anti-commercial bribery and protection of intellectual property rights, to the contracts. We will include suppliers' impact on the environment and society into our assessment system and continuously promote the sustainable development of supply chain partners in our management.

## Regulating procurement and supplier management

To strengthen the full-process management of suppliers, the Company has established clear workflows and designated responsible persons for various links, including supplier access, information maintenance and status changes, performance evaluation, punishment and elimination, on the premise of supplier classification management.



**Whole-process Supplier Management** 

# INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION

## Geographical Distribution of Suppliers

As of December 31, 2022, a total of 301 suppliers and subcontractors were warehoused, representing an increase of 120 as compared with last year, including 7 overseas suppliers and 294 Chinese suppliers. The geographical distribution of iDreamSky's suppliers is shown in the table below:

	China			Overseas			
Distribution of Suppliers	South China	Central China	North China	East China	Southwest China	Northeast China	countries or regions
Number of Suppliers	132	17	35	67	39	4	7

Geographical Distribution of iDreamSky's Suppliers

# PROFESSION · TECHNOLOGICAL IDREAMSKY, INNOVATIVE CONTENT

iDreamSky adheres to the operating principle of "technology empowerment and collaborative symbiosis", with the mission of "bringing more joy to users". It is committed to creating and publishing healthy and innovative exquisite games, with the aim to provide users with a good gaming experience by offering high-quality game content. At the same time, we pay attention to preventing legal risk of litigation and information and data security risks that may arise during game research and operation, and strengthening the protection of intellectual property, minors, and user privacy.

#### Game R&D and Innovation

To standardize the research and development and operation management of the Company's games, we strictly follow the laws and regulations and policies such as the *Telecommunication Regulations of the People's Republic of China*, the *Administrative Measures for Internet Information Services* and the *Regulations on Administration of Network Publishing Service*. We have formulated corresponding internal guidelines for the Game Publishing and Operation Process of self-developed games, flagship games, customized games and jointly operated games, respectively, in the five stages of the game research and operation life cycle, including product selection, product approval, product development and testing, product launch and operation, and product delisting. We set up review nodes to strictly control product quality. We continuously make breakthroughs in technology, themes and content, and create game content and experiences that users can look forward to.

#### Game R&D achievements

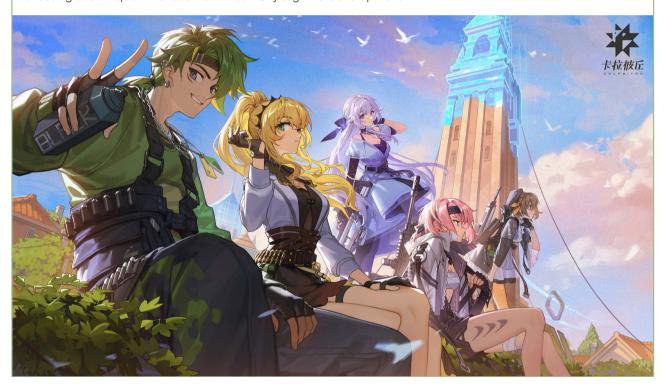
We continuously optimize our product diversification matrix and establish differentiated competitive advantages by constantly improving our research and development and innovation capabilities. We provide users with high-quality game products with novel themes and unique content, bringing more joy to users.

#### **Competitive Games**

#### Calabiyau (卡拉彼丘), a self-developed tactical shooting game

Calabiyau (卡拉彼丘) is an innovative competitive game with tactical shooting experience developed independently by iDreamSky. With the physical theory of "Karabi-Qiu Chengtong Space (卡拉比-丘成桐空間)" as the theoretical basis, and physics and mathematics as the design basis, the game adopts science fiction as the extension of the story and the world's structure.

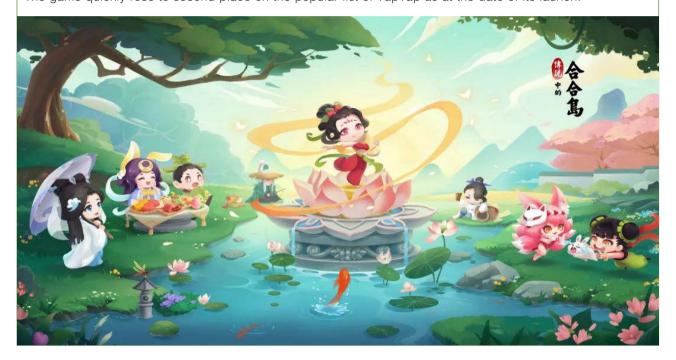
The game mode of Calabiyau (卡拉彼丘) is a 5v5 showdown, and characters in the game can freely switch between 2D and 3D postures, which is significantly different from existing competitive games in the market, reflecting the unique innovation of iDreamSky's game development.



#### **Match-three Puzzle Games**

#### Merge Endless (傳説中的合合島), a self-developed synthetic match-three puzzle game

Merge Endless (傳說中的合合島) is a unique and innovative synthetic casual game with a Chinese style theme, developed independently by iDreamSky. As a new Chinese-style synthetic mobile game, Merge Endless (傳 説中的合合島) has distinctive features and creativity. In terms of art, the character images, synthetic elements and map designs in the game have a strong Chinese style; in terms of gameplay, in addition to synthesizing to unlock new resources, a highly customizable island decoration gameplay with great freedom is also a major highlight. In addition, the game is based on the gameplay modes of "three-in-one" and "five-in-two", following the concept that everything can be synthesized, bringing players an immersive gaming experience. The game quickly rose to second place on the popular list of TapTap as at the date of its launch.



## Mid and hardcore RPG games

#### Final FireFly (小心火燭), a self-developed strategy card game

Final FireFly (小心火燭) is a placement strategy card game with nijigen urban sci-fi style, developed independently by iDreamSky. It features a cyberpunk style with rich plot and gameplay, aiming to bring players a rich gaming experience. At present, the game has obtained its publication number and has officially launched, receiving positive reviews since its launch.



In addition to reserving multiple self-developed games, we continue to increase our investment in cutting-edge technologies such as artificial intelligence, human-machine interaction, and augmented reality (AR). In February 2023, we deepened our cooperation with Baidu in multiple areas such as product research and development and standard setting. We will work together with Baidu's technical team to jointly develop solutions, and continuously strengthen our research and development and innovation capabilities through technology sharing, training and empowerment, as well as joint marketing, thereby providing multi-scenario artificial intelligence solutions and services for our multiple games. Meanwhile, relying on the smart interconnection and innovative interconnection, we take the lead in the digital transformation and upgrading in the industry.

#### Building "Fanbook", an online content ecosystem community

Thanks to its accumulated user base, technology, and resources through cultivation in the gaming industry, iDreamSky created Fanbook, the online community tool, in July 2021 with the original intention of improving user stickiness. Through continuously refined operation, Fanbook has grown to become an online user community with nearly ten million active users. Fanbook provides users with personalized channels, instant messaging, voice, live streaming, community co-creation and other diversified social functions, which enables creators to connect with their fans at zero distance. At the same time, to ensure the safety and harmony of the community content, we use third-party content filtering system and professional content reviewers engaged to jointly create a harmonious social metaverse in a way that content reviewers at customer service department participate in manual content review.

Fanbook has built the information architecture based on "communities and sub-channels", which allows game brand owners and users to set up channels in the community according to different needs and scenarios. Fanbook completely delegates the power of community management to brand owners and users, supporting the customized development of the community. At the same time, Fanbook also supports the linkage between game brand owners and WeChat mini-programs. Mature mini-programs can bring good supplement to a closed community ecosystem. Currently, iDreamSky's products and users have achieved high-frequency, multi-dimensional interaction in the Fanbook community. We obtain the most timely feedback from users in the community to continuously improve the user experience of our products.



#### iDreamSky Held "Summer Online Music Festival" with Battle of Balls (球球大作戰)

In August 2022, iDreamSky jointly held the "Summer Online Music Festival", a virtual space social event, with Battle of Balls (球球大作戰). The event was built in the Qiu Qiu community (球球社區) of Fanbook. During the warm-up period, the reading volume of the #Summer Online Music Festival# topic had already exceeded 4.8 million. During the event, the virtual community was extremely crowded and lively, and the official also set up exclusive virtual images and interaction functions for players. Players can communicate with each other through voice chat or bullet comments on MV videos. As a leading explorer in the virtual space, iDreamSky won the "Commercial Value Space" Award at the iDWF Metaverse Starlight Awards.



Promotional image of Summer Online Music Festival



## Fanbook provides assistance to the successful holding of "Ape Universe (猿宇宙) Online Carnival".

In December 2022, China's Li-Ning teamed up with the Kingdom of Mita to launch the "Ape Universe Sports Carnival" event. The main stage of the event was built in Fanbook, aiming to broaden communication channels with young consumers. With the support of the Fanbook tool, users can create their own exclusive NPC characters, participate in online trendy sports games, and interact with community members without barriers. At the same time, Fanbook also conducted co-creation activities such as dubbing for the bored ape and second creation painting, allowing users to gain a fully immersive experience in the virtual scene.



#### **Promotional image for Ape Universe Sports Carnival**

User-centric communities have provided brands with new business scenarios and development potential while reshaping their brand and user relationships. Taking Subway Surfers (地鐵跑酷), the classic game of iDreamSky, as an example, Fanbook has innovated its content production model and user services through the use of digital technology, and has stimulated players' passion for second creation of Subway Surfers (地鐵跑酷). Through the promotion of players on various short video platforms and the iteration of game effects, the "old game" Subway Surfers (地鐵跑酷), which has been in operation for over 10 years, has once again achieved social fission. It not only dominated the iOS game free list for 32 consecutive days, but also recorded a daily active user (the "**DAU**") growth of over 10 times again, which proved that iDreamSky had strong long-term operation capabilities.

In the future, based on the core users' in-depth experience of the game, we will strengthen the real-time connection between game design ideas and user feedback through Fanbook, achieving "collaborative symbiosis" in product research and development and innovation, and ensuring the creation of products that are recognized and anticipated by users.

# **Game Product Quality**

iDreamSky has been continuously operating national-level games with long life cycles. Through the innovation of digital tools, we have achieved refined operation. At the same time, we attach great importance to product quality management, and are committed to creating a stable game operating environment and providing high-quality game experience.

#### Partial List of iDreamSky's Exquisite Games

## Match-three puzzle games



#### Gardenscapes (夢幻花園)

A puzzle mobile game with the theme of building a garden, combining match-three and simulation elements



#### Homescapes (夢幻家園)

A casual puzzle mobile game with the theme of home decoration, combining matchthree and simulation elements

#### **Competitive Games**



#### Subway Surfers (地鐵跑酷)

A running and dodging mobile game with the theme of global travel



## Super Animal Royale (小動物 之星)

A casual shooting and competitive mobile game with small animals as the main characters

## **RPG Games**



#### Glory All Stars (荣耀全明星)

A 3D adventure and fighting RPG mobile game with a selfdeveloped dungeon mode

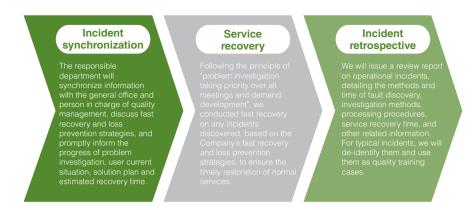


## Black Desert (黑色沙漠)

A highly realistic role-playing mobile game co-published with Tencent

#### Operation quality management

To continuously improve product quality and user experience, we adhere to the bottom line of operation quality in our daily work. We have set up "red lines" for quality management and safe operation by developing quality management and safe operation guidelines and documents such as the "Game Business Operation Quality Management Measures". To address service disruptions or delays, lower service quality and other incidents that affect user satisfaction during game operation, we also classify these incidents according to their impact, and have established the incident handling process, which requires issuing review reports for operational incidents and summarizing the experiences gained from these incidents to avoid similar occurrences in the future and continuously improve our operation quality management capability.

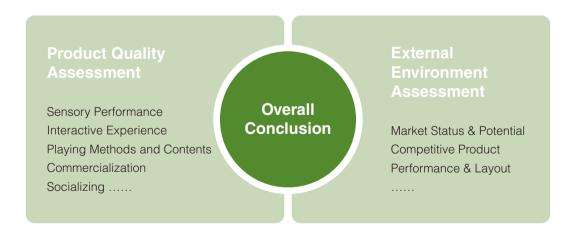


## Incident handling process

We have developed a system of rewards and punishments for quality management and safe operation, making the "red lines" for quality management and safe operation an important criterion for selecting and assessing management cadres, awarding bonuses, and adjusting job levels. Teams that have experienced no major operational accidents or have made breakthroughs and contributions in quality management and safe operation will be rewarded, in order to enhance employees' awareness of product quality management.

#### **Evaluating and User Research**

We have formulated and strictly implemented the "White Paper on Market and User Research of iDreamSky" by developing a complete set of product quality evaluation standard and the game quality estimation system, to strengthen the quality assurance of products and services and bring quality product experience for users to a maximum extent.



**Game Quality Estimation System** 

The evaluating and user research department shall organize technical personnel, evaluators and external experts to jointly conduct product evaluation according to the established processes before launch of the product. The evaluation aims to evaluate products in aspects including playing methods and operation experience, role professional evaluation, artistic performance and sound effects, etc. By strictly controlling the various evaluations of our products, we aim to provide users with high-quality products that combine visual and auditory impact, strong interactivity and uniqueness. This year, we completed a total of over 75 user research project reports and tested the user experience of over 10 products.

# **Environmentally and Socially Friendly Offline Experience Store**

iDreamSky is committed to becoming a leading IP operator of technology empowerment in the world, innovatively creating new consumer scenarios for young users such as the "Z generation" through offline console game experiences with payment and retail of IP derivatives. Since the opening of the first QQfamily store in July 2021, we have actively expanded our offline experience stores in the core commercial districts of first-tier cities and new first-tier cities.

#### Product quality and safety

With a focus on the IP derivatives business, iDreamSky always believes that providing products and services that are environmentally and socially responsible, is crucial for sustainable business development, while actively expanding our offline store business layout. We are committed to playing a role in corporate social responsibility throughout the entire process, from store opening to operation and after-sales service. By providing our customers with high-quality trendy products, we strive to create beyond-expectation entertainment and consumption experiences, and to build a good reputation among our customers. Set out below are the considerations and measures regarding our product quality and safety in our business operations:

	Meeting the requirements of the local environmental protection bureau for opening and the standards for environmental impact assessment are obtained;
Plant selection	On-site factory inspection to ensure the factory must provide production line employees with masks, disinfection, protective clothing and other measures;
	Work process of employees takes into account their occupational health and safety
Construction management	Strictly evaluating the qualification certificates obtained by suppliers, such as fire safety licenses, construction certificates, environmental qualifications, etc.
	During renovation, we require the construction side to have strict formaldehyde assessment and formaldehyde removal measures
Material selection	Production of raw materials in line with national mandatory standards, with production batch numbers;
	Environmental safety materials meet national environmental standards
	Reduce the use of packaging materials

Product quality control	Deploying product quality inspectors to work on-site at factories, to oversee the entire production process of products from molding and sampling, to transportation and packaging;  Third-party standard certification, such as China Compulsory Certification (CCC) and Quality Standard (QS) certification;  Third-party products have production and acceptance standards
Product recall	In 2022, there were no recalls for iDreamSky's products
Intellectual property protection	Non-disclosure agreements are set forth in production contracts with factories, and anti-counterfeit labels are sticked on each product;  Selling officially authorized products.

In addition, for the retail of trendy products, we will print product liability labels on the packaging boxes of trendy products, such as the product's execution standard number, anti-counterfeiting labels, applicable age, etc., and remind consumers to consider the environmental impact when handling products.

# **Protecting the Rights and Interests of Users**

iDreamSky is committed to continuously improving customer satisfaction by consistently placing the customer at the center of our operations. We value the user experience and take customer feedback seriously, continuously striving to optimize the quality of our services. We strictly follow the regulatory requirements, including the Law of the People's Republic of China on the Protection of Consumer Rights and Interests, and our internal polices such as the Customer Service Center Manual. While providing goods or services to consumers, the Company is committed to abiding by social ethics, operating in good faith, and protecting the legitimate rights and interests of consumers

# **Customer relationship management**

To establish a good relationship of mutual trust with users, we strive to respond faster to service issues and build a reputation and good brand image of user service. By formulating the Customer Service Center Manual, the Complaint Handling Process and the User Service Process of Ledou Games, the Company has clarified the responsibilities of the customer service center and standardized the handling process of user complaints. The method through which we respond to users' inquiries, involves three forms of communication: online customer service, voice customer service and work orders. We track, analyze, and provide feedback on complaints according to their types, forming a closed-loop management system to ensure service quality. The complaint handling process is as follows:



# iDreamSky's Customer Complaint Handling Process

In 2022, we received a total of 510 user complaints<sup>1</sup>, with the main type of complaint being refund requests for underage recharge. To address the issue of underage refunds, we established a dedicated customer service team to handle complaints and reports related to minors. In addition to informing users of measures and restrictions for protecting minors, we also added payment restrictions and a self-service refund work order function for minors within the game to minimize the occurrence of such issues and improve the efficiency of refund processing for users.

In addition, we have assigned a quality inspector to randomly check the online customer service records, voice customer service recordings, and work order records of the customer service center. We have conducted a full inspection of all negative feedback services, and simultaneously record and evaluate the quality of user service. We have provided improvement suggestions and target to enhance the ability to handle user complaints.

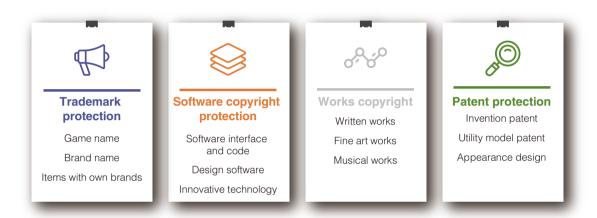
#### **Customer service training**

To provide premium services to users, we provide new employees with onboarding training or regular training for customer service and quality inspector staff, test the quality of customer services, analyze service problems and propose improvements, and help with improving the brand reputation and image. Customer service training includes standardization of service terms, handling of emergencies, operation of game backstage, etc. Meanwhile, we keep improving training methods in response to anonymous feedback from trainees.

<sup>&</sup>lt;sup>1</sup> The complaint received in 2022 came from the 3.15 complaint platform of iDreamSky.

# **Intellectual Property Protection**

Intellectual property is the core to ensure the sustainable market competitiveness and R&D capabilities of technology companies. iDreamSky has always attached importance to the protection of its own intellectual property, to strictly prevent intellectual property infringement. As of December 31, 2022, the Company had registered 1,847 trademarks, 1,004 registered copyright works including art, music and software works, and 87 granted patents.



Types of Intellectual Property Rights of iDreamSky

# PROFESSION · TECHNOLOGICAL IDREAMSKY, INNOVATIVE CONTENT

In accordance with the Copyright Law of the People's Republic of China, Trademark Law of the People's Republic of China, Patent Law of the People's Republic of China, Anti-Unfair Competition Law of the People's Republic of China, Enterprise Intellectual Property Management Standards and other relevant laws and regulations, we have formulated the Policy on the Management of Intellectual Property Rights of iDreamSky, iDreamSky Contract Management Policy and other internal management policies. We have established an intellectual property management organization, to proactively carry out intellectual property protection.

At the same time, we actively engage external suppliers to monitor and combat infringements, to ensure that the Company's intellectual property is legally protected. The Legal Department of the Company is responsible for applying and protecting intellectual property rights for game trademarks, self-research patents and copyrights, and providing relevant legal advice for the Company's rights protection and litigation.

For infringements that may cause economic loss to the Company or affect our normal operation, such as jailbreaking, selling props, self-service plug-ins, illegal operation, illegal theft, and fictitious cooperation, we mainly detect them through the following ways:



Infringement Capture Method of iDreamSky

# Intellectual property protection training

We focus on such themes as trademark and copyright infringement, unfair competition, game infringement, information network dissemination rights, domain name infringement, etc., and provide targeted legal training for employees to enhance their legal awareness in daily work and help protect the Company's legitimate rights and interests.

#### Respecting intellectual property rights of others

We respect the intellectual property rights of others. In the localization of overseas intellectual property rights, we have worked out detailed entries of intellectual property rights, including the division of ownership for the new parts of the localization, the division of trademark ownership for the Chinese names of games and the division of data ownership. This aims to ensure the legal and compliant operation of overseas intellectual property rights within the territory of China. As of December 31, 2022, the Company was not aware of any serious infringement of any intellectual property rights owned by any third party.

# **ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS**

iDreamSky has always insisted on sharing the development achievements with its employees. We are committed to creating a healthier and more efficient working environment for our employees, by adhering to equal and diverse employment, establishing a fair and reasonable, performance-oriented compensation and benefits system, so as to protect the legitimate rights and interests of employees. We also provide smooth channels for employees' career development and promotion, offering good opportunities for employees' career development, and continuously promoting their sustainable development.

# **Employment and Labor Guidelines**

We strictly abide by relevant laws and regulations such as the Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, Social Insurance Law of the People's Republic of China and Labor Dispute Mediation and Arbitration Law of the People's Republic of China. We have updated and revised a series of talent management systems, including the Employee Handbook, Talent Recommendation Management Measures and Internal and External Recommendation System. At the same time, we continue to use various requirements related to talent recruitment, promotion, training, and employee benefits outlined in the Management Rules for Probationary Period, Management Rules for Attendance, Management Rules for Annual Salary Review and Management Rules for Training formulated in the previous year. We deeply understand that a high-quality workforce is an important foundation for the steady development of the company. The Company insists on developing the talent team based on its own business needs, to help the Company become more competitive in the industry in terms of operation and management capabilities.

To ensure fair, open, and diverse recruitment principles, by upholding an inclusive and open attitude, the Company strives to attract outstanding talents from society and campuses. We effectively protect the labor rights and interests, adhere to legal employment. Based on the principles of equality, voluntariness, legal justice and consensus, we sign labor contracts with all employees according to the law. In recruitment process, we strictly abide by *Regulations on the Prohibition of Child Labor of the People's Republic of China, Law of the People's Republic of China on the Protection of the Minors*, etc., require applicants to provide relevant identification materials for inquiry and verification, ensuring reasonable employment, and resolutely eliminate the occurrence of illegal incidents such as child labor and forced labor, and strictly handle them in accordance with the law once discovered. In 2022, we continued to regulate the process of employee recruitment and management, updated and supplemented the system details, and attracted and retained talents that meet the Company's requirements. During the reporting period, there were no illegal activities related to the employment of child labor or forced labor in iDreamSky.

#### Recruitment **Dismissal** Compensation • In 2022, the company updated • In 2022, the company updated • In 2022, the company the "Talent Recommendation the clock-in system in the revised the Employee Management Measures," Attendance Management Handbook and **Employment** adjusted the recommendation System conducted detailed and • In 2022, the Company updated bonuses for professional and review and updates in Compensation managerial levels, and updated the Annual Salary Review various aspects such the point reward criteria Management Regulations, taking as human resources • In 2022, the company updated the Company's operating management, office the 2022 Internal and External conditions, external supplies and assets, Recommendation System, environment, individual financial management, added a team building reward performance, rank and current and information security method, and updated the bonus salary level as important management standards reference factors for salary adjustment **Promotion** Training Development The company has issued The company has issued The company has Professional Talent Management Training Management System issued Standardized Regulations and Organizational to meet business Measures for Structure and Management Level development needs, and Debriefing of Standardization Measures, new employee induction Management provides 21 professional training, job coaching by Executives, and Promotion development channels, clarifies the mentorship, internal and and establishes professional/general external training are provided personnel and **Development** ability standards for different groups of people standardize the The company has issued debriefing process Performance Evaluation Plan, and empolyees with outstanding performance can apply for green channels **Working hours** Overtime Vacation The company has issued · The company has issued The company has Working Attendance Management Attendance Management issued Attendance hours System — Rules for Working System (Overtime Management System and Time Management, and Management Rules) and (Leave Management **Vacation** apply The overtime approval implements a five-day work Rules), and employees system, clocking in and out. The system. For overtime hours, can enjoy national average daily work time per legal holidays and paid employees can apply for month is not less than 8 hours overtime allowance and holidays according to taking working days off the law

# Updates and Overview of Human Resource System in 2022

To ensure compliance with recruitment procedures, standardized processes, and consistent employment standards, we have established a standardized recruitment management process, developed the Standardized Operation Manual and annual recruitment plan to ensure that recruited employees are matched to their positions and utilized to their full potential. Our entire process of job posting, resume screening, evaluation, interview scheduling and talent on-boarding is conducted on our online recruiting platform.

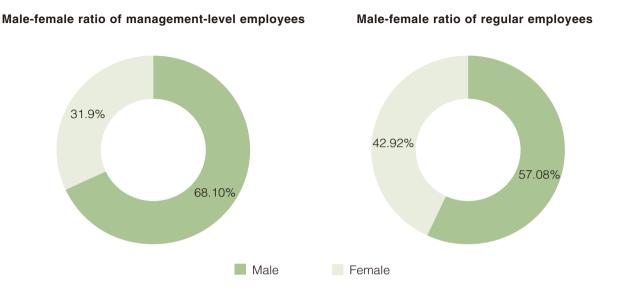
As of December 31, 2022, the Company had a total of 1,048 employees, including 987 full-time employees and 61 temporary employees. Details of the employees are as follows:

Overview of Human Resources	For the year ended December 31		
	2022	2021	2020
Total number of employees	1,048	1,113	809
Number of employees by gender			
Male	611	699	507
Female	437	414	302
Number of employees by age			
Aged under 30	656	725	428
31–50	391	386	375
Aged above 50	1	2	6
Number of employees by rank			
Management staff	116	50	_
General staff	932	1,063	-
Number of employees by region			
Chinese mainland	1,045	1,099	_
Hong Kong, Macau, Taiwan and overseas countries or regions	3	14	_
or regions	0	14	
Employee turnover ratio			
Percentage of employee turnover by gender			
Male	38.1%	28.4%	33.7%
Female	32.7%	34.4%	17.4%
Percentage of employee turnover by age			
Aged under 30	35.2%	33.6%	33.1%
31–50	36.8%	24.3%	15.2%
Aged above 50	100%	60.0%	0.4%
Percentage of employee turnover by region			
Chinese mainland Hong Kong, Macau, Taiwan and overseas countries	35.8%	30.9%	41.2%
or regions	66.7%	17.6%	_

#### Notes:

<sup>(1)</sup> The disclosure time frame for social key performance indicators covers the period from January 1, 2022 to December 31, 2022.

<sup>(2)</sup> The geographic scope of disclosure for social key performance indicators includes the office area of headquarter of iDreamSky Technology Holdings Limited and its subsidiary, iDreamSky Entertainment Co., Ltd, the same below.



The Company highly values the shared value with employees, pay close attention to industrial changes and market demand for talents, continuously optimizes the compensation and benefits system, and attracts, retains, and motivates core talents. We continuously optimize the Company's internal compensation and benefits-related policies to ensure that employees receive labor remuneration in accordance with the law. In terms of statutory benefits, the Company pays the full amount of contribution to the five social insurance and one housing fund for employees on time. In terms of supplementary benefits, we also provide a combination of various welfare items, such as purchasing commercial insurance for all employees, offering the holiday benefits, annual physical examinations and interest-free loans.



**Employee Welfare Policy** 

#### Following the Principle of Equal Employment

The Company is committed to building a diverse workforce and strictly adheres to the implementation guidelines of equal employment and fair and open principles, providing equal opportunities for job applicants. We advocate for an equal and diverse workplace environment, ensuring that employees will be not treated differently or excluded or given special treatment in the workplace because of national and ethnic origin, nationality, religion, physical condition, pregnancy, sexual orientation, political affiliation, age or other non-work-related factors. We are particularly concerned about the treatment and growth of female employees. Currently, we have implemented relevant policies of gender equality and equal pay for equal work in employee recruitment, promotion, holidays, and other benefits and welfare. In 2022, 31.90% of management positions were held by women, and women employees accounted for 42.92% of the total number of regular employees. The proportion of female employees has increased as compared to last year, and we look forward to more female employees joining our diverse team in the future workplace environment strategy.

# **Occupational Health and Safety**

Ensuring the health and safety of our employees is of utmost importance in our operation process. The Company complies with the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, the Law of the People's Republic of China on Work Safety, the Law of the People's Republic of China on Fire Control, and other laws and regulations related to safety and workplace fire safety. The provisions on labor protection, labor conditions and protection from occupational disease hazards are agreed upon in the labor contract, to clarify the rights and obligations of the parties and to ensure that the work content meets safety and health requirements, with the aim to effectively protect the safety and health of our employees.

We have developed various preventive measures and emergency plans for all kinds of unexpected safety incidents that employees may encounter in the workplace, such as natural disasters like fires and lightning, pandemic prevention and control events, and employee emergencies, by establishing a sound emergency response system. To enhance the Company's ability to handle emergencies, we have provided all employees with emergency rescue training and automatic external defibrillator (AED) training courses. In addition, to ensure the occupational health and safety of all employees of the Company, we have purchased work injury insurance and commercial insurance for each employee, ensuring the coverage for medical reimbursement and protecting the health and safety of employees, as well as maintaining the normal operation of the Company.



# In 2022, the Company held the emergency response and aid training activities

In 2022, we continued to conduct our annual emergency response and aid training activities, with a duration of 8 sessions. We invited professional trainers to conduct on-site emergency response and aid training courses within the Company, covering topics such as basic first aid, internal medical emergencies, trauma emergencies, environmental emergencies, adult CPR (cardio-pulmonary resuscitation) and AED, pediatric CPR (cardio-pulmonary resuscitation) and AED, and airway obstruction (choking). Through on-site lectures, practical exercises, and post-course assessments, we effectively improved our employees' ability to self-rescue and provide mutual aid in the face of emergencies.



#### **Pandemic Prevention and Control**

During the normalization of the pandemic, we strictly adhered to national and local pandemic prevention policies and took various measures to ensure the health of our employees. The Company continued to collect information on nucleic acid monitoring of employees, strengthen the disinfection of office places, and provide a series of protective equipment such as masks and disinfectant alcohol for all employees. At the same time, we reminded our employees to raise their personal protection awareness, flexibly use remote and home office methods, and minimize personnel gatherings.

In the past three years, we have not experienced any work-related fatalities. In 2022, we did not have any employee occupational accidents, and the number of workdays lost due to occupational injuries was zero.

# **Development and Training**

iDreamSky places great emphasis on employee training and development. We have established a comprehensive internal and external training system, focusing on enhancing employees' personal professional skills, business qualities, and management capabilities. We have developed the Training Management System that is aligned with the Company's overall business development plan and strategic goals, and provides different levels of training courses and development directions for senior management, middle-level managers, departmental employees, and new employees, tailored to different levels and scenarios. We offer a variety of training formats, including on-the-job training, internal training, and external training, to help employees improve their professional skills, knowledge and management capabilities, with the aim to create a group of talents who uphold the values of iDreamSky and align with the Company's long-term development plans.

<b>55 hours</b> Training Duration	3 months Training Duration	<b>82 hours</b> Training Duration	24 hours Training Duration
Company-wide Sharing Session	Recent Graduate	Specific Business/Project	New Employee
<ul> <li>Introduction of Feishu Document classification function</li> <li>Design concepts and 3D modeling for game firearms</li> <li>Understanding the legal aspects of project acceptance</li> <li>Sharing of the full process of publication and operation</li> <li>Course on artificial intelligence</li> </ul>	<ul> <li>Quality development</li> <li>Off-line closed training</li> <li>Mentorship program</li> </ul>	<ul> <li>Lantern Court (3 phases in total)</li> <li>Agile training for Fanbook</li> <li>D3 workshop</li> <li>Character concept design of the LAELAPS design club</li> </ul>	<ul> <li>User-oriented thinking course</li> <li>OKR training</li> </ul>

Training Program Schedule of iDreamSky for 2022

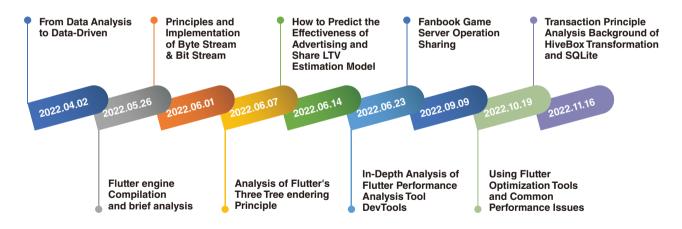
As of December 31, 2022, we provided training to 1,428 employees, including 483 female employees trained, accounting for 33.8% of the total employees trained, and 945 male employees trained, accounting for 66.2% of the total employees trained.

Development and training	For the	For the year ended December 31		
	2022	2021	2020	
Total number of employees trained	1,428	791	347	
Percentage of employees trained by gender				
Male	66.2%	68.1%	_	
Female	33.8%	31.9%	-	
Percentage of employees trained by rank				
Management	7.4%	10.4%		
Regular employee	92.6%	89.6%	-	
Average number of hours of training for				
employees by gender				
Male	5.97	5	_	
Female	3.91	4	-	
Average number of hours of training for				
employees by rank				
Management staff	17.2	16		
Regular employee	3.6	5.3	_	

To improve the strategic vision and leadership of our executives, we provided a 96-hour talent management training program for one executive of Executive Management Team (EMT) this year. Through the study of EMBA courses from top business schools in China, we aim to improve the strategic vision and leadership of our executives and help the management get acquainted with the current situation and future plans of the industry and business, so as to enhance their strategic vision and leadership.

To enhance the management skills of middle and basic-level managers, we held the mid-level management training course and basic-level management online training course under the "Tencent Ocean Program (騰訊遠洋計劃)" totaling 66 learning hours, in the second half of 2022. By allowing middle and basic-level managers to learn basic management skills, we aim to help them establish their management role awareness, set clear work objectives, and become excellent team management talents. At the same time, we irregularly hold more than one sharing activity and iDreamSky tech talk event each month, covering different themes such as skills and tool usage sharing, interpretation of the latest policies and regulations, artificial intelligence course learning, and expert management sharing, which helps all employees learn about the latest professional skills from different perspectives and achieve our goal of "enabling knowledge to flow within the Company." Meanwhile, we held various forms of training courses for recent graduates, including quality expansion, offline closed training, and mentor guidance programs to help them fully understand the Company's business culture before joining the Company and cultivate a group of reserve talents who uphold the values of iDreamSky and take the responsibility of iDreamSky's future.

As of December 31, 2022, the Company has held 9 advanced professional sharing events (iDreamSky Tech talk). We have fully utilized internal resources and formed a game technology lecturer team. Currently, we select job-based professional technical skills based on various professional channel capability frameworks to provide relevant training to all employees, including internal personal technical analysis, technical tea party, and external expert sharing modules. We are committed to strengthening talent technical exchanges, building an open technical culture, and enhancing engineers' sense of achievement. At the same time, we require all trainees to strictly abide by classroom discipline, and the Human Resources and Administration Department evaluates the training effectiveness to judge the training content and improve the work methods.



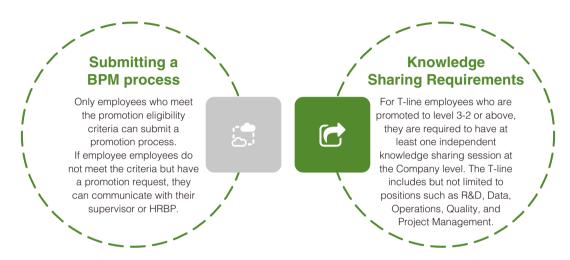


Theme of the iDreamSky Tech talk in 2022

#### **Promotion of All-round Development of Talents**

iDreamSky is continuously strengthening the attraction and cultivation of talents. We follow the principles of integrating perspectiveness, business needs and benchmarking, performance and ability orientation, and have established a professional talent management mechanism and the employee professional development channel management system. Currently, we provide 21 professional development channels for employees, each of which is subdivided into different positions according to business processes and functions. We have established detailed ability assessment standards for different levels of each professional channel. When selecting and promoting management cadres, we strictly adhere to five principles of organizational development, flattening, hierarchical promotion, capacity matching, and being able to move up or down. At the same time, we have established professional committees, channel committees, and other organizations to coordinate various personnel management work, regularly organize various types of communication and training activities, and carry out job grade assessment related work. The Company attaches great importance to attracting and cultivating talents, and are committed to assisting them in pursuing long-term career development in the Company. We believe that the ability of our employees is the driving force for our long-term development, and we endeavor to expand scientific and reasonable career advancement paths for our employees to enhance their performance and matching with their ranks.

We have made it clear that all employees with better rating in the last two performance evaluations will have a shorter time threshold for promotion. To enable outstanding employees to distinguish themselves quickly, by allowing graduates to be promoted across levels, the Company has opened a green channel to exempt qualified employees from the effective time of the latest ranking, fueling their upward development. In 2022, two major changes took place in the rules of rank evaluation as follows:



Changes in the 2022 Rank Evaluation Rules of iDreamSky

Furthermore, we conducted two "semi-annual" and "annual" performance evaluations for regular employees who have been working for 3 months or more, adopting the comprehensive evaluation method of "self-evaluation + direct supervisor evaluation", with reference to the three dimensions of value contribution, commitment and value outlooks, to give employees a rating ranging from 5 stars to 1 star. By reviewing the effective output of employees and providing them with immediate feedback on their work results, we obtained valuable reference for the evaluation of awards and merits, rank promotion, salary adjustment and bonus allocation for the year, and the employees also identified the personal value they create for the Company. In other words, performance evaluation can contribute to the mutual benefit of us and our employees.



#### 2022 Open Day Event

In 2022, our Open Day focused on organizational change and business strategy. By organizing the Open Day event, we aim to facilitate face-to-face communication between the executives and employees on current company development issues and future development directions, which will help the Company clarify its working methods and principles, as well as improve employee participation, sense of achievement, and sense of accomplishment in the Company's daily operations.

Open Day sharing activities will mainly cover the following themes this year:

- ✓ Fanbook Special Topics
- ✓ 2022 Core Objectives
- Organizational and Business Transformation of the Company in the New Situation
- ✔ Discussion on Metaverse
- Thought on Organizational Development in the New Situation
- ✔ Discussion on Performance Evaluation
- Synchronization of the Company's Internal Information



iDreamSky continues to carry out diversified activities to show employee care, guide employees to integrate themselves into the iDreamSky family. Through building sports associations, organizing various cultural and sports competitions, and conducting team building activities, we enrich employees' spiritual and cultural lives and relieve work pressure. We are committed to creating a healthy and comfortable working and living environment for employees, enhancing their sense of happiness and belonging, and enabling them to work and live happily.

This year, we held the 2022 Employee Conference and Company Anniversary Celebration, using culture to inspire collective empathy and enhance employees' sense of identification and belonging to the corporate culture, which has established and promoted a positive employer branding image for the Company.



2022 Employee Conference and Company Anniversary Celebration of iDreamSky

To balance employees' work and life, the Company's sports association continues to carry out daily activities. In 2022, a total of 156 activities were held, with a cumulative participation of 2,080 people. In addition, we celebrate festivals with our employees and continue to carry out holiday care activities such as the "2.15"

Lantern Festival Market" and "3.7 Women's Day". On the day of the event, the Company arranged classes such as flower arrangement and painting teaching. By practicing the work concept of "combining work and leisure", our employees were able to share joyful moments and get closer to each other during these activities.



iDreamSky's Team Building Activities in 2022

To celebrate the 25th anniversary of Hong Kong's return, the Company held a Party-building activity with the theme of "Celebrating Hong Kong's Return Together and Building the Chinese Dream" on the Party-Building Day, which fell on July 1. The Party branch organized all party members to jointly watch General Secretary Xi Jinping's important speech at the celebration of the 25th anniversary of Hong Kong's Return to China and the sixth government inauguration ceremony of the Hong Kong Special Administrative Region. Through such Party Day activity, we further stimulated the enthusiasm of party members to love the country and the Party, greatly enhancing their sense of national pride.





2022 "Celebrations of July 1st Party-Building Day and the 25th Anniversary of Hong Kong's Return"

iDreamSky protects employees' health with great care. On August 19, 2022, we held a "Save the Insomnia Star" health lecture and on-site traditional Chinese medicine experience activity where we invited professional doctors to provide a comprehensive explanation on the "insomnia" problem and provided employees with a traditional Chinese medicine consultation activity involving "observation, listening, questioning, and pulse-taking" methods.



"Save the Insomnia Star" Health Lecture and On-site Traditional Chinese Medicine Experience Activity



"World Book Day" Activity of iDreamSky in 2022

In addition, to create a learning atmosphere within the Company, we encourage employees to take the initiative to learn. The Company conducted the "4·23 World Book Day" activity in 2022. We issued a call to all employees to "fuel their lives with reading," encouraging all employees to maintain a reading habit while busy with work, actively update their knowledge, and improve their personal cultural literacy.

# OPENNESS - GREEN IDREAMSKY, HARMONIOUS COEXISTENCE

As a responsible game company, iDreamSky is committed to promoting energy conservation and carbon reduction in the workplace through various measures to reduce daily energy consumption and fully promote green office practices. We strictly adhere to laws and regulations such as the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, and the Law of the People's Republic of China on the Energy Conservation. Combining the business characteristics of the gaming industry, we continue to improve the construction of environmental management system, improve energy and resource utilization efficiency and management level, strictly control greenhouse gas emissions, and actively practice the concept of sustainable development. At the same time, we actively implement the national dual carbon goals, by developing and strictly implementing relevant administrative policies, to minimize the impact of our operations on the environment.

In 2022, the Company was not subject to any penalties for violating environmental regulations, nor did we receive any complaints related to environmental pollution.

# **Environmental Impact of Business**

# **Emissions Management**

As a digital entertainment platform deeply rooted in the gaming industry, the Company has always adhered to the office concept of green, clean, and low-carbon, and actively fulfilled our environmental protection responsibilities. Our data is mainly stored in large cloud server providers such as Alibaba Cloud and Tencent Cloud, so that energy consumption of the Company mainly focuses on the electricity consumption generated by the daily operation of the Company's office area, greenhouse gas emissions from the combustion of official car gasoline, and wastes generated from daily office activities.

#### Greenhouse Gas (GHG)

We are actively promoting the inventory of greenhouse gases throughout the Company, implementing refined management of the greenhouse gases we directly and indirectly emit. During the Reporting Period, we reviewed and collected energy consumption data from various aspects, such as daily electricity usage and official vehicle emissions, and converted it into greenhouse gas emission density to further assess and set base line. Since 2021, the Company has set a target to reduce greenhouse gas emissions within the next five years to respond to the challenges of climate change.

GHG Emissions Data		For the y	ear ended Decen	nber 31
GHG emissions	Unit	2022	2021	2020
Total GHG emissions	Tonne CO <sub>2</sub> e	408.22	368.27	318.16
Scope 1 — Direct GHG emissions	Tonne CO <sub>2</sub> e	17.32	20.20	_
Scope 2 — Indirect emissions	Tonne CO <sub>2</sub> e	390.90	348.07	318.16
GHG emissions intensity	Tonne CO <sub>-e</sub> /FTE	0.39	0.41	0.43

# OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE

#### Notes:

- (1) The disclosure of environmental KPIs covers the period from January 1, 2022 to December 31, 2022.
- (2) The GHG emission intensity is calculated based on the denominator of 1,048 employees of the Company in 2022.
- (3) The geographical scope of disclosure of environmental KPIs includes: the headquarter office area of iDreamSky Technology Holdings Limited.
- (4) Sources of emission coefficients: (i) when calculating emissions, emission coefficients are in reference to the "Reporting Guidance on Environmental KPIs" issued by the HKEX; (ii) when calculating GHG emissions, emission coefficients are in reference to the "Reporting Guidance on Environmental KPIs" issued by the HKEX; (iii) the conversion factors of various energy consumption units are in reference to the "Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Enterprises in Secondary Industry and other Industries" issued by the National Development and Reform Commission.
- (5) GHG emissions in 2022 (Scope 1) were from direct gasoline combustion emissions from automobiles; GHG emissions (Scope 2) were from indirect GHG emissions from purchased electricity.
- (6) To maintain data consistency, we use the 2012 average emission factors from the "2011 and 2012 Regional Grid Average CO<sub>2</sub> Emission Factor for China" issued by the National Development and Reform Commission for the calculation of indirect carbon emissions from electricity use in 2022.

#### **Waste Management**

We strictly follow the waste disposal principles of reduction and harmlessness, and carry out separate collection and unified treatment for wastes generated in daily office. We require all leftover food for takeout to be thrown away in the kitchen waste bin in the pantry, and conduct centralized disposal of kitchen waste at lunchtime and dinner time every day, inspected by personnel arranged for by the administration department. For some recyclable wastes such as cardboard and paper bags, they can be placed near the garbage bins without blocking the passage or handed over to the administration department assisting employees in unified recycling.

We continue to pay attention to the reasonable use of energy and resources. The Company's hazardous waste mainly includes office ink cartridges and end-of-life electronic equipment. Consumables for ink cartridges are replenished by our suppliers on a regular basis, while end-of-life electronic equipment, mainly computers and servers, are handed over to our procurement department for end-of-life disposal, and are collected and recycled by our electronic service providers. By properly managing and recycling the waste generated during our operation, we are committed to reducing the impact of waste on the environment and maximizing the value of limited resources. We will continue to boost our waste management efforts by encouraging our employees to separate waste and reduce unnecessary waste. Since hazardous waste and non-hazardous waste are directly recycled by the Company's asset management department, we do not have the relevant waste generation data internally. We will carry out the collection and disclosure of waste data in the future.

#### Waste Water

The waste water generated in our daily office work mainly comes from toilets and pantries, and is discharged directly to the municipal network through the sewage pipes managed by the property.

#### **Use of Resources**

During the year, we continued to make inputs into the establishment of a sound resource and energy management mechanism and implement the main responsibility for environmental protection. To this end, we conserved electricity, water and paper resources in our daily operations as always and tried our best to reduce the negative impact on the environment caused by energy and resource consumption.

#### **Electricity Consumption**

Since we have over 900 computers for our game development business, and as we use servers, computers and air conditioning units extensively, electricity is the main source of energy for our operations. Therefore, most energy saving projects focus on reducing electricity consumption. As part of our efforts to reduce energy consumption, we use LED lighting in our offices. We encourage our employees to set their computers to sleep mode when they are idle for more than 30 minutes. We also set the office temperature to 25 degrees Celsius during the summer months, which has contributed to reduce our electricity consumption. For the year, the electricity consumption density of the Company has decreased by 28.54 kWh/FTE as compared to previous years.

We endeavor to reduce our electricity consumption. By evaluating electricity consumption intensity converted from this year's data and setting a baseline, we aimed at reducing electricity consumption over the next five years.

# **Water Consumption**

We consume water mainly for daily office operations and the domestic sewage generated is discharged to the municipal sewerage network for treatment. During the year, the Company did not encounter any problems in obtaining water for use. We are committed to reducing water consumption by posting water conservation signs in all restrooms and reminding our staff to turn off the taps after use to raise their awareness of water conservation. We have also installed dual-flush water saving toilets. In addition, we regularly inspect water pipes. If any leaks in the water supply facilities are found, we will notify the property management company in real time to arrange for repair and inspection.

We endeavor to reduce our water consumption. This year, our water consumption density has decreased by 1.02 cubic meter/FTE as compared to previous years. By evaluating water consumption intensity converted from this year's data and setting a baseline, we aimed at reducing water consumption over the next five years.



#### Highlights of Energy Saving and Emission Reduction in 2022

In 2022, during our night patrols, we found that some computers were left turned on throughout the night, causing wastage of electricity and shortening the lifespan of the computers. Moreover, in case of a sudden power outage, it may cause damage to the Company's fixed assets. To reduce energy waste and prevent computer damage, our administrative department issued relevant tips to encourage employees to proactively shut down computers that are not needed before leaving work. For cases where employees need to keep their computers running overnight due to work requirements, we register them in advance and provide them with a "constantly on logo".

Data of Use of Resources		For the y	ear ended Decem	ber 31
Resource usage	Unit	2022	2021	2020
B				
Resource usage and resource usage intensity	ge			
Electricity consumption	kWh	741,604	660,356	603,603
Gasoline consumption	Litre	6,549.24	7,635.64	8,477.00
Water consumption	Cubic meter	5,047	5,236	4,281
Paper consumption	ton	5.44888	5.69476	4.70971
Electricity consumption intensity	kWh/FTE	707.64	736.18	819.00
Gasoline consumption intensity	Litre/FTE	6.25	8.51	11.50
Water consumption intensity	Cubic meter/FTE	4.82	5.84	5.81
Paper consumption intensity	ton/FTE	0.00520	0.00635	0.00639

#### Notes:

- (1) Total water consumption is from municipal water supply.
- (2) Energy consumption and water and paper density are calculated using all of our employees 1,048 as the denominator in 2022.

We strive to continuously reduce the impact of our business activities on the environment in various ways. To be specific, we save electricity by purchasing energy-saving certified equipment, and we promote the integration of resources and reduce consumption by cleaning up some and unnecessary businesses, including sorting out servers used in our game business and operations of our SMS service providers, and reducing server room leases. We also encourage our employees to use video conferencing technology to reduce our air travel footprint.

In addition to emissions and resource usage, we regularly review our operating practices and have adopted a number of measures for each of our offices, which range from energy saving and emission reduction to sustainable procurement.

In 2022, we were not aware of any significant impact on the environment and natural resources as a result of our daily operations and complied with all relevant environmental laws and regulations.

#### **Green Office**

We create a good atmosphere for energy saving and consumption reduction to enhance our employees' awareness in this respect. This year, we continued to implement a series of internal administrative policies to fuel our environmental protection efforts, as follows:

- Replaced aging air conditioners, regularly checked their refrigeration water pipes, water condensation
  pipes and vents, and conducted dust cleaning and refrigeration effect inspections during the Spring
  Festival and National Day every year.
- Required employees to swipe their ID card to use the printer, and the administration department exported
  the paper usage records for unified audit at the end of the year. In addition, we set up a waste paper
  recycling area next to the printer, where all single-sided used paper is recycled and handed over to the
  administrative team for binding to achieve secondary use and reduce the waste of paper resources.
- The administration department disseminated energy saving and emission reduction to the whole company by issuing online energy saving and emission reduction reminders bi-weekly, posting energy saving operation guidelines on office walls and setting up restroom micro-bulletin.
- After work on summer evenings, we required the property management staff to conduct inspections every 2 hours on each floor to turn off unused air conditioners and computers.



Employees are required to swipe their ID card to use the printer, and a waste paper recycling area is set up next to the printer. The recycled paper is reused by the administrative department



All lamps are replaced by LED lights, and electricity-saving posters are put up on the walls of the Company



Air conditioners' temperature is recommended to set at 26 degrees Celsius

**Energy Saving Measures** 



Slogans for Paper Conservation in Toilets

# **Response to Climate Change**

As the impact of climate change becomes increasingly apparent worldwide, to enhance the Company's ability to respond to climate change, we incorporate it into our overall risk assessment and management system. Following the classification of risks by the Task Force on Climate-related Financial Disclosures (TCFD), we identify and analyze transition risks, physical risks, and potential opportunities related to climate change. We disclose information on the impact of climate issues on our business and the measures we are taking to address them.

- Governance: The risks brought about by climate change are crucial to the sustainable development of the Company. iDreamSky continues to pay attention to global climate change and related laws and regulations, systematically identifies and evaluates the risks that climate change poses to the sustainable development of our business. At the same time, we continuously strengthen the formulation of relevant response policies to enhance our ability to respond to climate change. We fully support carbon neutrality actions from the perspectives of our business, strategy, and finance.
- Strategy: We comprehensively strengthen our institutional construction and control measures to respond to climate-related risks and opportunities, and enhance our emergency management level. At the same time, we regularly conduct emergency drills to ensure the safety of our employees and customers. This year, we strictly complied with all applicable environmental protection laws and regulations and did not cause any adverse climate-related damage events.
- **Risk Management:** We recognize that climate change will bring physical risks and transition risks to our business. The Company's physical risks from climate change mainly come from acute and chronic physical risks caused by climate change, while transition risks come from policy, legal, technological, market, and reputational risks that may result from national carbon neutrality actions. On the other hand, climate change also brings opportunities for us, including improving energy efficiency and purchasing carbon reduction and environmental protection technologies and services to respond to climate change.

Type of risks	Source of risks	Impact	Management measures
Physical risks	Extreme weather events, such as extreme heat, heavy rainfall, and typhoons	Storms, floods, fires and other severe weather events caused by climate change may damage our production facilities, cause disruptions to our value chain and threaten the safety and sustainability of our business.	<ul> <li>consider the impact of regional climate when laying out our business</li> <li>purchase external digital cloud-based storage services such as "Tencent Cloud"</li> <li>develop contingency measures for emergencies</li> </ul>
	Policy and law	Against the backdrop of the accelerating popularity of the low-carbon economy, we may subject to serious consequences such as administrative penalties if we fail to effectively and immediately align with relevant policies and legal regulations issued by the State.	Pay ongoing attention to the latest national laws and regulations related to low-carbon environmental protection
Transition	Reputation	Stakeholders are increasingly concerned about its relevant reputational impact	Continue to disclose our efforts and achievements to maintain stakeholders' confidence in our future development path
risks	Market	Changes in consumer preferences	<ul> <li>Real-time tracking of the market environment</li> <li>Understanding consumer preferences for green products</li> <li>Increasing the proportion of green products year by year</li> <li>Providing more low-carbon services and products</li> </ul>
	Technology	Failed investments in new technologies	<ul> <li>Inspect the feasibility of new technologies</li> <li>Strengthen self-research investment, as well as ongoing monitoring of costs and returns</li> </ul>

• Indicators and targets: In the face of various development opportunities arising from climate change-related factors, we have already improved the energy and water resource efficiency of our office buildings, optimized and reduced operating costs. We have also purchased large-scale data cloud storage services such as Tencent Cloud and Ali Cloud to minimize waste emissions and resource energy usage within the Company. We will promote the development and use of emission reduction technologies to reduce our impact on the environment. We will also promote business diversification to achieve the transformation towards the environmentally-friendly enterprise.

In 2022, we established a series of safety and office-related regulations such as the Adverse Weather SOP and Safety Guidelines of iDreamSky in response to the COVID-19 pandemic and extreme weather events. During the Reporting Period, we issued a total of 8 administrative notices to remind employees to protect their health and safety during heavy rain and strong wind weather that may affect their travel. We have also developed response plans based on the suggestions of the Meteorological Bureau, and required our staff at all positions to make preparations in advance to ensure the safety and health of employees.

#### Rainstorm



#### Front desk

- Providing umbrella borrowing
- Providing two hair dryers
- Providing hot ginger tea with brown sugar



#### Cleaning

- Checking that office windows are closed and locked
- Promptly cleaning up any water stains on the floor
- Assisting security management in checking office power sources and windows



# Security management

- Checking and closing all windows in the office area
- Checking that public power sources are turned off
- Checking the windows in executive offices to prevent important documents from getting wet



#### Administrative executive and assistant

- Sending out weather alerts in a timely manner through Fanbook
- Assisting the front desk, security
  management, and cleaning team in
  conducting inspections and purchasing
  and distributing supplies in the office
  area

## Strong wind



#### Cleaning team and security management

- Moving balcony furniture to the side of the glass door or storing it indoors uniformly
- Storing balcony cleaning tools indoors



# Administrative assistant

- Checking whether office windows are closed and locked, and promptly closing all windows in the office area
- Promptly cleaning up any water stains on the floor to prevent slipping
- Assisting in checking office power sources and windows

Adverse Weather SOP of iDreamSky

# WARMTH · CARING IDREAMSKY, CULTURAL INHERITANCE

iDreamSky has always upheld a corporate social responsibility perspective and continuously explored various types of public welfare models, by continuously adhering to the sense of social responsibility from the brand and expanding the boundaries of its social responsibility. We actively respond to the national call and participate in public welfare construction by cash and material donations for pandemic prevention and disaster relief, assisting in the promotion of urban culture, fostering outstanding artistic talents, launching public welfare education assistance programs for mountainous villages and caring for stray animals. We actively participate in social charity events. Through continuously utilizing our own advantages and resources, we contribute to the sustainable development of our society and industry, and try our best to make our own contribution to promoting social progress through love and warmth.

# **Promoting the Essence of Traditional Culture**

iDreamSky advocates giving innovative value to games through culture, showcasing the modern achievements

of China to the world, and enabling global players to experience the unique charm of Chinese culture while enjoying the game in a relaxed manner. In 2022, we continued to launch the Shenzhen Special Edition of Subway Surfers (地鐵跑酷 ). The operating team has integrated landmark buildings in Shenzhen such as Ping An Finance Center, China Resources Tower, Shenzhen Bay Bridge, Shenzhen University, and Bao'an OCT OH BAY with ancient historical buildings such as Da Peng Suo Cheng and Hongfa Temple. They also designed track maps with Shenzhen flavor, game props with Shenzhen characteristics, and background music that embodies Shenzhen's charm. By incorporating Shenzhen's development history into the game level design, we are showcasing the vitality and charm of Shenzhen, which is known as the "city of innovation, entrepreneurship, and creativity" to the world.





Shenzhen Special Edition of Subway Surfers (地鐵跑酷)

# **Commitment to Voluntary Public Welfare Projects**

In 2022, China experienced the resurgence of COVID-19 pandemic and frequent earthquakes in many areas of Ganzi Prefecture, Sichuan Province. We took the initiative to shoulder our social responsibility and donated cash and materials to the disaster areas in the first time. At the same time, we continued to carry out the second phase of the "Guixin Book House (桂馨書屋)", the public welfare project, assisting mountain students in obtaining equal education opportunities through a series of support measures for rural education revitalization. In addition, in order to improve the living conditions of stray animals, we joined hands with the China Small Animal Protection Association and Dalian Forest Zoo to launch a variety of animal protection welfare and charity activities in the game.

# Assisting in pandemic prevention and disaster relief

At the end of February 2022, facing the tightening situation of a new round of COVID-19 in Hong Kong and the continuous increase in the number of confirmed cases, iDreamSky urgently allocated HKD1 million in donation to the HK Police Welfare Fund for overall arrangements, so as to help the local government purchase frontline protective materials and assist in the procurement of basic necessities for the people's livelihood to carry out the pandemic prevention and control work. In the same month, after learning from the front-line journalists of the Ta

Kung Pao that there was a shortage of pandemic prevention materials in Hong Kong, we urgently prepared 1,000 N95 masks, 300 protective goggles, and 500 sets of protective clothing to assist in the fight against the pandemic throughout Hong Kong.





Assisting Hong Kong in Fighting Against the Pandemic

In September 2022, a 6.8-magnitude earthquake occurred in Luding County, Ganzi Prefecture, Sichuan Province, which affected the hearts of hundreds of millions of people. When one side is in trouble, support comes from all sides. iDreamSky quickly launched earthquake relief work and donated a total of RMB800,000 through the Charity Federation of Ganzi Tibetan Autonomous Prefecture and Charity Federation of Ya'an City, which were specifically used for emergency material procurement, ensuring the safety of the people, and post-disaster reconstruction work.



9.5 Certificate of Donation for Luding Earthquake

#### **Assisting in Rural Education Revitalization**

iDreamSky continues to pay attention to rural education. Homescapes (夢幻家園) joins hands with the "Guixin Foundation (桂馨基金會)" to continuously conduct the second phase of "Guixin Rural Reading Space (桂馨鄉村閱讀空間)", the public welfare project, continuing to build a sense of corporate social responsibility. We donated cash to renovate the "reading space (悦讀空間)" for Shanglong Primary School in Luodian County, Qiannan Prefecture, Guizhou Province, and successively donated 1,000 books to the libraries of Jiaogou Primary School in Ruyang County, Henan Province, and Shanglong Primary School in Luodian County, Guizhou Province, respectively. By upgrading book house classrooms and updating book resources in primary schools in mountain villages, we create a better independent reading environment for children. Upon the completion of reading space, the school regularly and punctually opens it to all of its students and encourages them to borrow books freely. Each class teacher is responsible for organizing students to go to the reading space for independent reading during the weekly reading class.



2022 Bookish Inheritance Public Welfare Project by Homescapes (夢幻家園)

At the same time, we invited players in the game to participate in public welfare activities such as idiom games under the theme of "Bookish Charity, Accompanying Dreams to Take Off (書香公益,伴夢起航)", and to unlocked certificates, book lights, and other honorary peripherals. Outside the game, Fanbook, iDreamSky's brand and cooperation partners actively carried out linkage to promote public welfare awareness of Homescapes (夢幻家園) and provide assistance for the brand matrix of Guixin Foundation and iDreamSky.

學生閱讀





游戲內活動界面





宣傳海報

宣傳海報

## Game-assisted Public Welfare Promotion Activities

# **Guarding Small Animal Public Welfare Activities**

iDreamSky continuously expands the boundaries and scope of public welfare. In response to the call from the Ministry of Education to cultivate the concept of animal rescue among primary and secondary school students and improve the survival problems of stray animals, iDreamSky's Gardenscapes (夢幻花園) and Homescapes (夢幻家園) joined hands with the China Small Animal Protection Association to launch the "Guarding Stray Small Animal Public Welfare Project of iDreamSky (夢幻守護流浪小動物公益計劃)" in 2022. At the same time, we launched a love public welfare activity with the theme of "Little Angel Rescue Station" in both games. During the event, we embedded the images of 10 dogs from the China Small Animal Protection Association's base into the game. Through the form of "game-based public welfare joint activity + offline association public welfare undertaking", iDreamSky launched a public welfare donation campaign to all game users, and the association will use all donations for food procurement, medical assistance, and improvement of living environment for stray animals in its protection base.





"Guardian Stray Small Animal" Public Welfare Project

In addition, iDreamSky's self-developed game Merge Endless (傳說中的合合島) cooperated with Dalian Forest Zoo to launch the "Guarding Panda" public welfare program. We joined hands with players to adopt three baby pandas from Dalian Forest Zoo, protecting wildlife, helping them grow healthily, and maintaining biodiversity. We take practical actions to jointly protect the beautiful nature and promote ecological civilization.





"Guarding Panda" Public Welfare Program

# **Cultivating Outstanding Artistic Talents**

To cultivate outstanding artistic talents and enhance the attention of our society to art education, in 2022, iDreamSky and the Chen Xiangbo Art Public Welfare Fund jointly launched the "Tiger Roar (虎虎生風)" digital art collection public welfare creation activity, and launched a variety of limited edition of digital art collections and practical prints combining "Tiger Year" and "Game IP" themes during the Spring Festival, with a total of 2,600 copies. Users who purchase prints will immediately receive an exclusive digital collection. All proceeds from this event will be donated to the "Chen Xiangbo Art Public Welfare Fund under Shenzhen Charity Association" to support the cultivation of artistic talents.





"Tiger Roar (虎虎生風)" Digital Art Collection Public Welfare Creation Activity

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Aspect	HKEX KPI	Description	
A Environmental			
A1 Emissions	A1	General Disclosure	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A1.1	The type of emissions and respective emissions data	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A1.2	Greenhouse gas emissions in total and intensity	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A1.3	Total hazardous waste produced and intensity	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A1.4	Total non-hazardous waste produced and intensity	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A1.5	Description of measures to mitigate emissions and results achieved	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
A2 Use of Resources	A2	General Disclosure	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A2.1	Direct and/or indirect energy consumption by type in total and intensity	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A2.2	Water consumption in total and intensity	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A2.3	Description of energy use efficiency initiatives and results achieved	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A2.4	Description of issue in sourcing water, water efficiency initiatives	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
	A2.5	Total packaging material used for finished products	Due to the business nature of the Company, this KPI is considered not material.

Aspect	HKEX KPI	Description	
A3 The Environment and Natural Resources	A3.1	General Disclosure  Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them.	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
A4 Climate Change	A4.1	General Disclosure  Description of the significant climate- related issues which have impacted the Company, and actions taken to manage them.	OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE OPENNESS · GREEN IDREAMSKY, HARMONIOUS COEXISTENCE
B Social			
B1 Employment	B1 B1.1	General Disclosure  Total workforce by gender,	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS ENTERPRISING · ELITIST
	B1.2	employment type, age group and geographical region Employee turnover rate by gender, age group and geographical region	IDREAMSKY, JOINT PROGRESS ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS
B2 Health and Safety	B2	General Disclosure	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS
	B2.1	Number and rate of work-related fatalities	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS
	B2.2	Lost days due to work injury	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS

Aspect	HKEX KPI	Description	
B3 Development and Training	B3	General Disclosure	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS
	B3.1	Percentage of employees trained by gender and employee category	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS
	B3.2	Average training hours completed per employee by gender and employee category	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS
B4 Labour Standards	B4	General Disclosure	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS
	B4.2	Description of steps taken to eliminate such practices when discovered.	ENTERPRISING · ELITIST IDREAMSKY, JOINT PROGRESS
B5 Supply Chain Management	B5	General Disclosure	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION
	B5.1	Number of suppliers by geographical region	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION
	B5.3	Description of practices used to identify environmental and social risks along the supply chain and actions taken to implement and monitor them	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers and actions taken to implement and monitor them	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION

Aspect	HKEX KPI	Description	
B6 Product Responsibility	B6	General Disclosure	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION PROFESSION · TECHNOLOGICAL IDREAMSKY, INNOVATIVE CONTENT
	B6.1	Percentage of total products sold or shipped due to recalled for safety and health reasons	PROFESSION · TECHNOLOGICAL IDREAMSKY, INNOVATIVE CONTENT
	B6.2	Number of products related to complaints received and how they are dealt with	PROFESSION · TECHNOLOGICAL IDREAMSKY, INNOVATIVE CONTENT
	B6.3	Description of practices relating to observing and protecting intellectual property rights	PROFESSION · TECHNOLOGICAL IDREAMSKY, INNOVATIVE CONTENT
	B6.4	Description of quality assurance process and recall procedures	PROFESSION · TECHNOLOGICAL IDREAMSKY, INNOVATIVE CONTENT
	B6.5	Description of consumer data protection and privacy policies, and actions taken to implement and monitor them	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION PROFESSION · TECHNOLOGICAL IDREAMSKY, INNOVATIVE CONTENT

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Aspect	HKEX KPI	Description	
B7 Anti-Corruption	В7	General Disclosure	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION
	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	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION
	B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION
	B7.3	Description of anti-corruption training provided to directors and staff	INTEGRITY · HONEST IDREAMSKY, NETWORK PROTECTION
B8 Community Investment	В8	General Disclosure	WARMTH · CARING IDREAMSKY, CULTURAL INHERITANCE
	B8.1	Focus areas of contribution	WARMTH · CARING IDREAMSKY, CULTURAL INHERITANCE
	B8.2	Resources contributed to the focus area	WARMTH · CARING IDREAMSKY, CULTURAL INHERITANCE