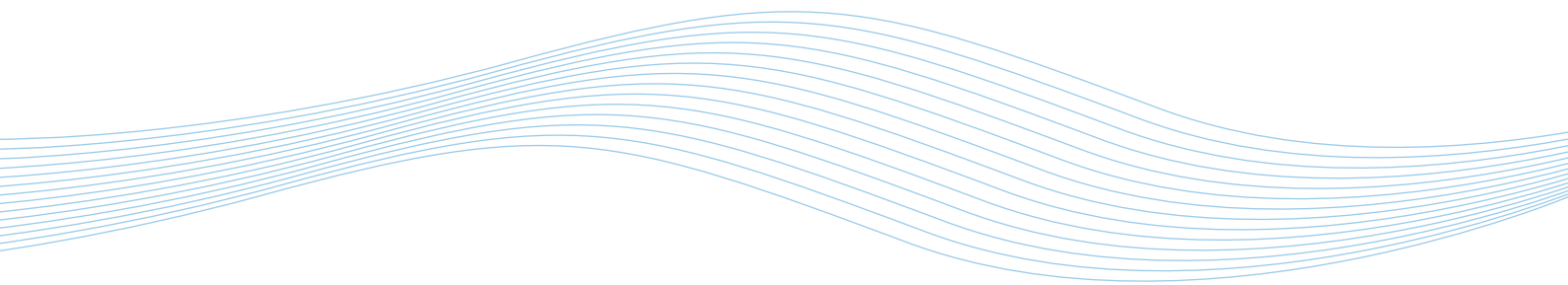


2023 Environmental, Social and Governance (ESG) Report



Circular Economy Engine for Office IT



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Message from the Chairman of the Board of Directors of Edianyun

The year 2023 marks an extraordinary period for Edianyun. On May 25th, Edianyun officially announced its listing on the Hong Kong Stock Exchange, signifying its commitment to enhancing transparency and standardized management capabilities with awe as it progresses into a higher level of development and opens itself to more challenges and oversight. With the mission of "Making Office IT Easier", we are dedicated to becoming the go-to partner for improved IT productivity through reliable and flexible one-stop Office IT services, offering simpler Office IT integrated solutions for enterprises.

Contributing to ESG efforts through business development

Features of Main Business

Edianyun's primary business, namely, "Pay-as-you-go Office IT integrated solutions", complements the ESG concept. Through equipment recycling, inspecting and repairing, we significantly enhance the service life and effectively reduce emissions caused by frequent equipment replacement while realizing business value. This remanufacturing business is rooted in sustainable practices, contributing naturally to the green and low-carbon circular economy by reducing resource loss.

Effective Emission Reduction

Edianyun always strives for excellence. By developing 132 remanufacturing patents such as self-developed automatic keyboard inspection robots, we can lifespan the life of IT equipment to 7 to 10 years, reducing emissions by more than 67,000 tons per year under the current business scale, which is equivalent to planting approximately 3.7 million trees. These efforts effectively demonstrate the harmonious synergy between business models, environmental protection, and emissions reduction.

Far-reaching Social Connections

Edianyun provides remanufactured goods for various industries, empowers the circular economy and joins hands with the upstream and downstream of the value chain to address climate change. Additionally, we are committed to building a nationwide low-carbon office solution and delivering services to all cities and regions. In 2023, clients from Central and West China accounted for more than 30% of the total, and the social connections continued to deepen.

° Anchored in high standards, widely recognized by the industry

🌀 Financing Cost Optimization

Edianyun continues to seek ESG financing opportunities to provide solid support for ESG governance. In the current year, Edianyun successfully obtained a three-year RMB100 million cross-border term loan with the Bank SinoPac Syndicate, a sustainability-linked (ESG) loan with dual certification of social responsibility and carbon reduction. This effort helps optimize the financing cost of the main business and provides stronger protection for stable operation and enhanced governance.

🌀 Widespread Recognition from the Community

Edianyun's high-level ESG practices and quality products and services have gained recognition across various market sectors. During the year, we received commendations such as the Top 10 Innovations Enabled by Digital Technology for Green Transformation, Outstanding Cases of Global Digital Economy Conference, CFS Industry Influential Brand Award, and Best Practice Cases of National Enterprises Digital Economy. Moreover, Edianyun was invited to participate in the COP28 Conference and was reported by CCTV, further bolstering its ESG development.

Empowering Talents

Internally, Edianyun emphasizes humanistic care and provides a transparent, equal, harmonious, and inclusive working platform for employees. We actively listen to employees' voices and offer reasonable compensation and healthcare, while providing practical training courses such as the "Langya Pavilion" and promotion systems. In 2023, Edianyun's self-developed, full-chain digital human resources execution system was awarded the X Award by Knx, showcasing our innovation in talent management.

Looking back, we have successfully gone public on the Main Board of the Hong Kong Stock Exchange after eight years of preparation. In the present, we have actively capitalized on changes and transformed them into favorable opportunities, thereby advancing the deepening development of the circular economy. Looking forward, we are committed to assuming the main responsibility for the high-quality development of listed companies. We will continue to explore opportunities in remanufacturing, innovate sustainable office solutions, and provide high-quality, convenient, and efficient Office IT integrated solutions to a broader range of industries. This is in line with our dedication to walking hand-in-hand with the vast number of small and medium-sized enterprises (SMEs) in China toward a sustainable future.

—Ji Pengcheng

Edianyun Chairman of the Board of Directors, Executive Director, and the Chief Executive Officer

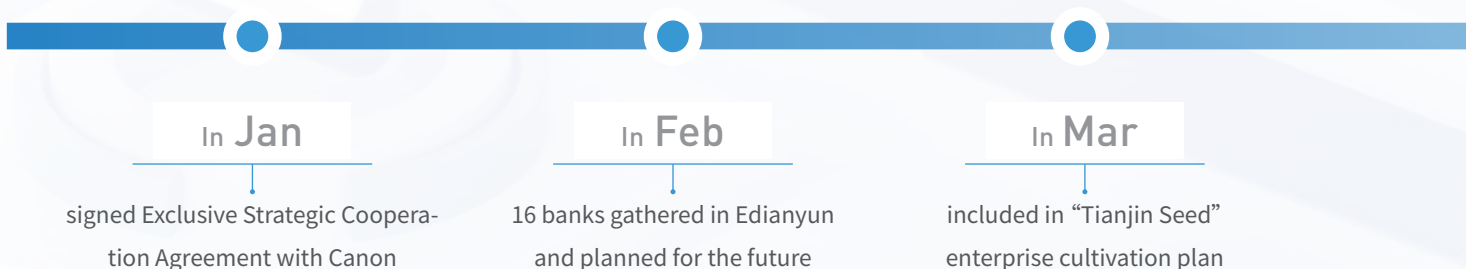
About Edianyun

Edianyun Limited (hereinafter referred to as Edianyun), founded in 2014 and officially listed in The Stock Exchange of Hong Kong Limited in May 2023 (stock code: 2416. HK), is a domestically leading provider of office IT integrated solutions. Since its establishment, the Company has begun to offer reliable and flexible one-stop office IT service packs with managed IT services, such as deposit free device services, IT services, SaaS software development, etc., through novel circular subscriptions for small and medium-sized enterprises, which is to create a closed-loop office IT industry chain and achieve asset-light IT devices in enterprises. The Company is headquartered in Beijing and has established branches in eight major cities: Shanghai, Shenzhen, Chengdu, Guangzhou, Suzhou, Hangzhou, Hefei, and Wuhan, expanding its businesses in more than 100 cities across the country, serving approximately 50,000 enterprise clients with over 1,200,000 units of devices.

Leveraging our nationwide service capability, self-developed system named “Nebula” and industry-leading remanufacturing technology, we provide one-stop, stable and flexible services to help our customers maximize office IT uptime, improve efficiency, enhance employee productivity and drive business growth. Differentiated from device repair and replacement/maintenance process, our remanufacturing process involves precise identification of the cause of the malfunction, and repair of only the faulty unit as necessary, reconditioning a device to at least its original performance specifications and default configurations and extending the device’s service life.

Integration of social values into the business operation is critical to the sustained growth of the Company. The Company remains committed to making a lasting and positive ESG impact on its customers, partners, and the wider community since its establishment. It is working out how to support customers and make its goals and vision realized by means of its ESG strategy. The Company achieves high levels of energy efficiency and control of greenhouse gas emissions while adhering to social values and sustainability, and is working toward the sustainable IT industry to help the achievement of the “dual carbon” goal.

Major events in 2023





Honors in 2023

Honors	Issuer
Selected as one of National Low-Carbon Cases	Ministry of Industry and Information Technology of the People's Republic of China
"Gold Service Provider" Award at the 18th Rechina Asia Expo	Asia Printing Technology, Office Equipment and Consumables Exhibition
Included in "Tianjin Seed" Enterprise Cultivation Plan	Tianjin Municipal Government
National Green Transformation and Technological Innovation Award	National Development and Reform Commission of the People's Republic of China
National Enterprise Digital Transformation and Empowerment - Excellent Cases	Zhongguancun Digital Economic Industry Alliance
CFS Outstanding Brand Image Award	Financial Leaders' Investment Summit
China Digital Economy Industry Best Practices	Digital Economy Professional Committee, China Association of National Advertisers
Human Resource Digital Transformation Award - Knx X Awards	Knx Organizing Committee
China's Practice of Circular Economy for Carbon Reduction - Excellent Example	China Association of Circular Economy
Top Ten Innovation Achievements Achieved in Digital Technologies Empowering Green Transformation	China Association of Circular Economy
Corporate ESG Governance Excellence Award 2023	Organizing Committee to the CSR Meeting
Enterprise With Best ESG Performances on Technological Innovation	Global Leasing Competitiveness Forum
"Golden Lion" Annual Excellent Environmental Responsibility Case	Fortunechina
The 20th Craftsmanship&Technology Award	People's Daily Online
Beijing New Technology and New Product (Service) Certificate - Corporate Fixed Assets Management System	Beijing Municipal Science & Technology Commission, Administrative Commission of Zhongguancun Science Park, Beijing Municipal Commission Development and Reform, Beijing Municipal Bureau of Economy and Information Technology, Beijing Municipal Commission of Housing and Urban-Rural Development, Beijing Municipal Administration for Market Regulation
Beijing New Technology and New Product (Service) Certificate - Edianyun Office Device Rental Service Platform Online	Beijing Municipal Science & Technology Commission, Administrative Commission of Zhongguancun Science Park, Beijing Municipal Commission Development and Reform, Beijing Municipal Bureau of Economy and Information Technology, Beijing Municipal Commission of Housing and Urban-Rural Development, Beijing Municipal Administration for Market Regulation

Highlights in 2023

Key Environmental Performance

Ediaryun business model is effective with annual greenhouse gas emissions reduced by over

67,000 tons of CO₂ equivalent

corresponding to

3,700,000 trees

planted on the Earth

corresponding to

24,800 cars

being taken off the road for a year

Ediaryun has secured a green financing of

110 million

from Bank SinoPac Syndicate

marking the **first** ESG cross-border term loan with dual certification in social responsibility and carbon reduction for sustainable development



Key Product and Service Performance

on-service

1,204,876 devices

saved IT office time

94,082,029 hours

for customers

the self-developed keyboard inspection robot increased the yield rate of keyboards to

99.9%

remanufactured

840,370 devices

customer satisfaction rate

99.66%

Customers in the central and western regions account for over

30%

of the total



Key Social and Governance Performance

Ediaryun employees received

83,520 hours

of total training, with an average value of

40 hours/person

Employees participated in volunteer activities

258 times

in total, amounting to

369 hours

The proportion of independent non-executive directors on the Board reaches

57%



01

Responsibility Governance: Efficient and Honest Operation

Stable development of a company is based on sound corporate governance. Ediyanun makes continuous efforts to optimize its corporate governance, enhance risk management and control capability, actively responds to expectations of stakeholders, and effectively integrates ESG concepts into the whole-process operation and management, finally leading to high-quality and sustainable development of the Company.

+ SDGs discussed in the Chapter



+ Material issues discussed in the Chapter

- Corporate governance
- Compliant operation
- Risk management and control
- Business ethics and integrity
- Supply chain management
- Value of sustainable finance

Corporate Governance

Strictly observing laws and regulations applicable to the business operation, the *Company Law of the People’s Republic of China*, the *Securities Law of the People’s Republic of China*, the *Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies* and the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, the *Companies Ordinance*, the *Securities and Futures Ordinance*, Edianyun highlights the independence and diversity of the Board of Directors in order to improve its operation compliance and risk management.

Governance structure A modern corporate governance system is established in accordance with Chinese laws, regulations, organizational rules, and listing rules, which works in a scientifically standardized and efficient way. Edianyun Board of Directors consists of 7 directors, including 3 executive directors and 4 independent non-executive directors, who are responsible for the Company’s overall strategy planning and ensuring efficient and compliant governance as members qualified with professional knowledge and experience in information technology, digital innovation, artificial intelligence, finance, and corporate governance.

In addition to the Board, Remuneration Committee, Audit Committee and Nomination Committee are in place for the corporate management and supervision so that rights and interests of stakeholders are protected.



Edianyun governance structure

Remuneration Committee

Determine remuneration and benefits, bonuses and other emoluments provided for directors and senior managers, and offering the Board suggestions.



Nomination Committee

Advise the Board on the appointment and succession of directors.



Audit Committee

Engage in the management and supervision on financial reporting procedures and internal risk control systems, as well as the review and approval of transactions and suggestions thereof proposed to the Board.



Roles of Edianyun Board

Diversity and independence of the Board of Directors

We fully understand the importance of diversity and independence of the Board and recognize it as a key role in safeguarding rights and interests of shareholders and maintaining the stable development of the Company. Nomination Committee needs to review and assess director candidates by taking into consideration diverse factors including but not limited to gender, age, culture and education background, professionalism, skills, expertise, as well as industrial and regional experience.

Safeguarding rights and interests of shareholders

We standardize procedures for convening and holding the general meeting of shareholders as well as resolution proposed at the meeting as per relevant laws, regulations, and rules. Treating all investors equally, we make sure corporate business is timely communicated among directors, management and shareholders and protect rights and interests of small and medium-sized shareholders.



Key performance

As of the end of reporting period, independent non-executive directors account for

57.1%

of the Board

14.3%

directors are female

During the reporting period, the general meeting of shareholders was held **1** time meetings were held **4** times

1 time

4 times

for the Board

2 times

for Remuneration Committee

2 times

for Nomination Committee

2 times

for Audit Committee

We performed procedures for convening and voting in accordance with laws and regulations, as well as chapters and relevant rules of the Company to ensure that all major decisions are legal, compliant, true, and effective, and that shareholders can exercise their rights under the law.

Legal compliance

The Company firmly complies with such laws and regulations as the *Company Law of the People’s Republic of China*, the *Anti-Unfair Competition Law of the People’s Republic of China*, and the *Anti-Monopoly Law of the People’s Republic of China*, and adopts strict internal procedures for its effective compliance and legal risk management. Improving internal policies with changing laws, regulations, and industry standards, we work effectively in an accountability system to deal with employees violating laws, regulations, and internal policies and enhance employees’ awareness of observing laws, regulations, and internal policies.

Compliance training

Upholding honest and compliant operation and management, we strive to cultivate employees' awareness of integrity and compliance, and create atmosphere of compliance culture. Thus, we not only define detailed regulations on work rules, professional ethics, confidentiality, negligence, anti-bribery, and anti-corruption in the *Employee Handbook*, but also provide training and resources to employees on an occasional basis, including internal training on relevant laws and regulations as well as regulatory updates, to enhance their ability to act with compliance.



Key performance

In the reporting period,
a total of

1,100 employees

received the compliance training,

with the average time of

4 hours

Risk Management and Control

Ediaryun has always been highly concerned about risk management and control, focusing on optimizing the company's risk management model, constantly improving the relevant disposal measures, and establishing a full-process risk prevention and control mechanism with effective prevention in advance, swift response in the process, and scientific post-event disposal.

Risk management structure

The risk management and internal control systems that we are committed to establish and improve continuously is applied to monitoring operations and overall compliance. We have developed comprehensive risk management policies with the Company's characteristics, which are effective in identifying, managing and controlling risks.

To make sure that risks faced by the Company are actively monitored and risk management policies practically implemented, the Company require the risk control center, internal control office, audit office, and senior management to attend regular meetings every month and arrange special meetings as necessary. In addition, we constantly review the implementation of the policies and measures to ensure a positive effect.



Risk management structure in Ediaryun

Risk identification

We have taken comprehensive actions to identify and systematically analyze potential or physical risks in various links of business operations, including asset security, data privacy and information security, cash management, credit management, compliance, and financial reporting. In the future, we plan to regularly consult with external lawyers to assess any risk of law and regulation violations and further enhance our risk management capability.

Internal control

The Company took further steps to strengthen its internal control and operate a collaborative and efficient internal control system to ensure operational stability in the reporting period. Regularly inspect and evaluate on the completeness, rationality, and effectiveness of the Company's internal control system is necessary for the optimization.

Business Ethics

As a responsible corporate citizenship, it is the obligation of the Company to resolutely resist and crack down on any corruption or fraudulent practices by employees and partners following the principle of honest operation and fair competition and the bottom line of business ethics. The Company, committed to high-standard business ethics, encourages employees and partners to play their roles in the supervision system for honest operation and actively report violations such as corruption and job-related crimes.

Business ethics and anti-corruption are important in our onboarding training. We provide regular business ethics training and promotion to all employees in order to enhance the awareness of responsibility and business ethics of those in key positions and create an honest, upright, and clean business environment for the Company's development.



Business ethics training



Key performance

In the reporting period,

0 corruption suit to the Company and **0** employee was filed or concluded.

Meanwhile,

7 directors received the business ethics training,

with the average time of

2 hours

1,700 ordinary employees were trained for

1 hour averagely

Supply Chain Management

To practice the concept of responsible procurement, Edianyun strives to establish the mutually beneficial partnership with suppliers for common development, which is to integrate ESG concepts into every links of supply chain management and continuously promote sustainable development of business and supply chain.

Distribution of Edianyun’s suppliers

Indicator	Unit	2023
Number of suppliers in total	Supplier	204
—China	Supplier	204
—Overseas	Supplier	0

Supplier management system

With policies and systems such as *Green Supply Chain*, *Environmental Protection Guidelines for Suppliers*, and *Environmental Performance Evaluation Standards* implemented, the Company continuously optimizes processes of supplier introduction and assessment, improves supplier management mechanisms for the standardized and systematic supplier management.

Supplier introduction

With a focus on not only product quality, services, and pricing of suppliers but also their environmental impact and social responsibility practices, the Company requires supplier candidates to provide environmental impact reports or social responsibility reports as a rational of qualification assessment, and conducts on-site inspections on some suppliers to ensure they provide authentic and trustworthy materials. It is a mechanism we employ to select suppliers who can meet our business needs and perform well in ESG, contributing to an economic and social win-win result.

Supplier assessment

Annual supplier assessment is made through archive review, on-site inspections, and employee interviews, depending on production management, environmental management and social responsibility, with which we can grasp the operation of all suppliers.

The review is decisive for us to cooperate with the candidate or not. Those performing well in ESG will enjoy priority given by us to establish a long-term cooperative relationship with, while suppliers with poor performance will be required to rectify within a specified period, and if still unqualified, we will terminate the cooperation.

We encourage suppliers to actively improve themselves on the basis of assessment results and enhance their ESG performance. We also work with suppliers to design improvement plans and track progress regularly to ensure effective implementation.

Supplier empowerment

The Company prepared *Environmental Protection Training for Suppliers* to enhance their environmental awareness, which involves environmental regulations, best practice cases, etc. for the knowledge of suppliers. Furthermore, a mechanism of economic incentives is established to encourage suppliers to purchase environmentally friendly and energy-saving equipment, and those who do so will be provided by the Company with certain subsidies for their procurement.



Case

Edianyun aligned with its suppliers to use environmentally friendly materials and recycle used materials

Considering its own requirements for a green supply chain, Edianyun encouraged a packaging material supplier to purchase advanced energy-saving production equipment, adopt environmentally friendly packaging, and recycle packaging materials to reduce wastes. These measures allowed the supplier to succeed in less production costs and improved product competitiveness, and win more customers.

Transparent procurement

Following the principle of transparent procurement, the Company formulated *Transparent Procurement Management System* defining principles, procedures, supervision and punishment mechanisms of procurement to ensure procurement compliance at the institutional level. As long as the cooperation is built with the supplier, we will require it to sign the *Supplier's Anti-Corruption and Anti-Bribery Commitment of Edianyun*, further ensuring the fair and impartial procurement process.

Supplier reporting channel

Edianyun email for anti-bribery: anti-bribery@edianyun.com






ESG Governance




To improve ESG governance, the Company is working out an integrated ESG governance structure that is top-down supervising by the Board to ensure practice at all levels, including but not limited to: regular evaluation of ESG related risks, formulation and confirmation of ESG strategies and main goals, goal-based ESG performance review, and understanding of the latest issued ESG laws and regulations, substantive assessments on ESG related risks, and continuous monitoring on assumption of our ESG responsibility.

Stakeholders participating

The Company attaches great importance to expectations and demands of all stakeholders and thus has established a well-operated communication mechanism. At present, we have understood six major stakeholders, including government and regulatory agencies, shareholders and investors, employees, customers and consumers, suppliers and partners, communities and the public. Channels such as communication conference, information disclosure, service hot lines, and media communication can help us actively communicate with and effectively respond to stakeholders so that their concerns can be reflected into the Company’s operations and decision-making process, in which way the ESG performance is optimized.

Mechanism for communication between Edianyun and its stakeholders

Stakeholder	Issues of concern	Communication and response
 Government and regulatory agencies	<ul style="list-style-type: none"> Compliant operation Business ethics and integrity Product and service quality Climate change and carbon emission management 	<ul style="list-style-type: none"> Supervision and inspection Routine management Meeting communication Information disclosure
 Shareholders and investors	<ul style="list-style-type: none"> Corporate governance Compliant operation Business ethics and integrity Risk management and control Value of sustainable finance 	<ul style="list-style-type: none"> General meeting of shareholders Exchange conference of investors On-site research Telephone and email communication Briefing by media and research institutions
 Employees	<ul style="list-style-type: none"> Compliance employment and right and interest protection of employees Employee training and development Employee health and safety 	<ul style="list-style-type: none"> Regular meetings and daily interviews Employee satisfaction survey Employee training

Stakeholder	Issues of concern	Communication and response
 <p>Customers and consumers</p>	<ul style="list-style-type: none"> Product and service quality Responsible marketing Right and interest protection of customers Data security and privacy protection 	<ul style="list-style-type: none"> Customer service hotline The Company's official website Follow-up with customers Customer satisfaction survey
 <p>Suppliers and partners</p>	<ul style="list-style-type: none"> Supply chain management Business ethics and integrity Innovative R&D and intellectual property 	<ul style="list-style-type: none"> Supplier assessment Tendering and procurement transactions Meeting exchange
 <p>Non-profit organization, communities and the public</p>	<ul style="list-style-type: none"> Social integration and contribution Green operations Waste disposal and recycling Energy and resource management Climate change and carbon emission management 	<ul style="list-style-type: none"> Community activities Volunteer activities Industry seminars Public consultation Information disclosure

Assessment on material issues

Material issues not only significantly reflect the economic, environmental and social impact of an enterprise, but also indicate what is important to stakeholders. Edianyun greatly highlights feedback and suggestions from stakeholders on sustainability issues, which facilitate the well-arranged ESG management.

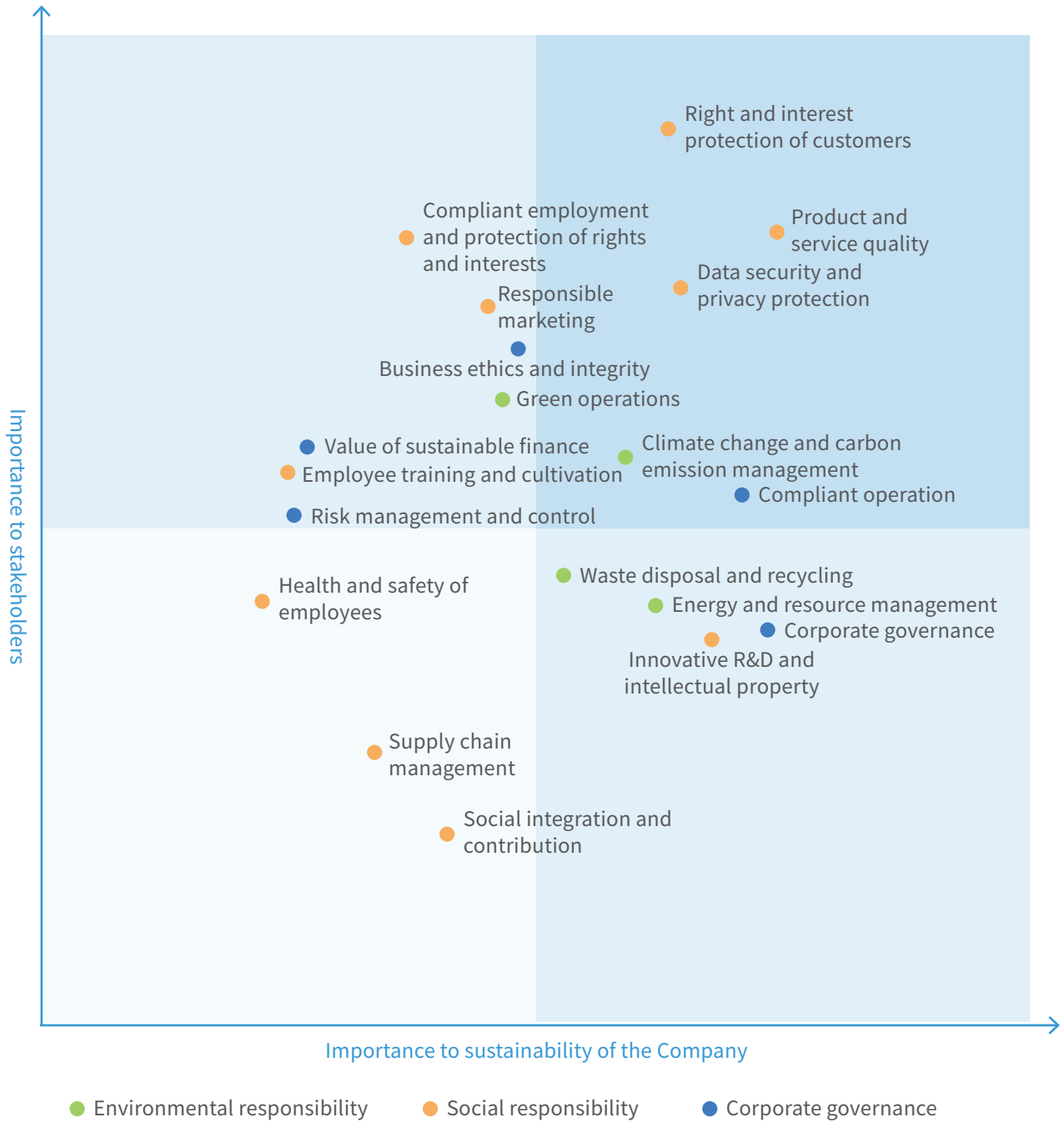
Analysis on material issues

Updated analysis and management of important issues is kept to accurately identify issues concerned by various stakeholders and enhance our understanding and responsiveness to specific issues. In 2023, we were under the help of external professional consultants to assess the importance of issues for internal and external stakeholders (including government and regulatory agencies, employees, customers, suppliers, etc.) in accordance with GRI standards and the relevant analysis process of the Hong Kong Stock Exchange.



Matrix of material issues

We drew a matrix of important issues including 19 environmental, social, and governance issues in two dimensions of “importance to sustainability of the Company” and “importance to stakeholders”. In consequence, we identified 5 key issues of high importance, based on which we determined the disclosure boundary and key contents of this report. Edianyun’s matrix of important issues in 2023 is shown in the following:



Ediaryun matrix of material issues in 2023

 **Ediaryun material issues list**

Environmental responsibility	Social responsibility	Corporate governance
<ul style="list-style-type: none"> Green operations Waste disposal and recycling Energy and resource management Climate change and carbon emission management* 	<ul style="list-style-type: none"> Compliant employment and protection of rights and interests Data security and privacy protection* Innovative R&D and intellectual property Right and interest protection of customers* Product and service quality* Responsible marketing Employee training and cultivation Health and safety of employees Supply chain management Social integration and contribution 	<ul style="list-style-type: none"> Compliant operation* Corporate governance Risk management and control Business ethics and integrity Value of sustainable finance

*These topics are identified by Ediaryun as key issues of high importance.

02

Green Actions: Working Jointly Toward a Sustainable Future

The circular economy, with its core focus on resource efficiency and recycling, holds significant importance for China to achieve its carbon peak and carbon neutrality goals. Under the "dual carbon" strategic objectives, remanufacturing becomes a key area of the circular economy and a crucial lever for promoting energy conservation and emission reduction. Edianyun integrates green low-carbon strategies and circular economy strategies into its corporate philosophy, injecting "green" momentum into its business model. By maximizing the value of IT equipment usage, the company effectively reduces carbon emissions along the entire value chain while achieving a high-quality business model, naturally fostering the development of a green, low-carbon circular economy. Through proprietary patented technologies and systematic operational scheduling, in the current situation our business model can achieve an annual greenhouse gas reduction of over 67,000 tons of carbon dioxide equivalent, equivalent to planting about 3,700,000 trees for the Earth.

+ SDGs discussed in the Chapter



+ Material issues discussed in the Chapter

- Climate change and carbon emission management
- Energy and resource management
- Waste disposal and recycling
- Green operations

Tackling Climate Change

Well aware of potential risks coming with climate change to the Company's business, Edianyun took active actions to identify, evaluate, and manage climate-related risks, and will gradually develop policies and measures for it to adapt to climate change. In addition, we fully tap into opportunities behind climate change while effectively mitigating climate-related risks, trying to find out and grasp business opportunities during the process in which the transformation to net zero emissions is made in the economy and society, and we strive to build Edianyun into an enterprise that makes a net positive contribution to the environment and has sustainable development prospects that are commendable.

Climate risk and opportunity identification management

It was the first time for us to determine the definition and classification of climate-related risks according to the Task Force on Climate-related Financial Disclosure (TCFD) in the reporting period. We made a clear list of climate change risks involving both physical risks and transition risks, in which there are 2 physical risks and 4 transition risks, respectively. According to the company's business activities, we identified the degree of impact for each type and disclosed corresponding risk responses based on the relevant risks and opportunities on the list.

Physical risks

Type	Description	Impact	Risk minimization
Extreme environmental and weather events	Impact of growing frequency and severity of extreme and catastrophic weather events such as extreme precipitation, floods, extremely high temperatures, and hurricanes on corporate operations and assets	Business operations, warehousing, and logistics may be affected by extreme weather events (such as floods, storms, heat waves, etc.), resulting in reduced operational efficiency or disrupted business, as well as more operational costs	<ul style="list-style-type: none"> • Develop emergency plans for extreme weather events and disaster response mechanisms • Enhance response capability and further optimize supply chain layout
Long-term climate change	Impact of chronic climate change patterns such as water scarcity, humid trend, warming trend, and sea-level rise on corporate operations and assets	Long-term climate change may have adverse effects on the operational efficiency and energy consumption of corporate equipment, increase losses and maintenance costs, and it is possible to change customer demand and cause the changes in downstream demand	Enhance business continuity, including strong monitoring and management of device performance, and backup redundancy between regions, etc., continuously improve the resilience of business operations

Transition risks

Type	Description	Risk minimization
Regulatory risks	Stricter climate policies and regulations issued by the government may lead to higher compliance costs and increased risks of lawsuits or claims	Active to follow and respond to new regulatory requirements for better communication with government agencies, and gradually establish climate-related risk management procedures in each business unit
Market risks	With a consensus reached on the green and low-carbon transformation, consumers' demand for environmentally friendly products and services is increasing	Extend service life of products with the remanufacturing technology to reduce environmental impact, and strengthen efforts in research and development of energy-saving and environmentally friendly products and services to meet consumer needs and enhance corporate competitiveness
Technological risks	Failing to meet the market demand for green and low-carbon products, technologies may fall behind competitors	Prepare strong strategies for talent cultivation and retention facilitating research and development capability, actively explore and employ low-carbon technologies, and cooperate with insiders and outsiders to promote technological progress
Reputation risks	Improperly responding to risks related to climate change or unable to fulfill expectations of stakeholders, the company may have its brand reputation damaged	Actively disclose climate-related risk identification and response measures, and issue environmental, social, and governance reports under the law

Climate-related opportunities

Edianyun is firm to believe that transformation of business models and innovative technologies is helpful for a win-win result from economic development and environmental protection. At the core is our business providing IT integrated solutions for small and medium-sized enterprises, which works to showcase our commitment to and achievements in addressing climate change through efficient equipment utilization and advanced remanufacturing technology. As more attention is paid to climate change globally, it has become a shared vision to take effective actions to address the issue in the international community.

In December 2023, Ji Pengcheng, CEO in Edianyun, addressed a speech themed on “China's carbon reduction efforts with the help of remanufacturing equipments” in China Pavilion at the 28th UN Climate Change Conference, showcasing progress of circular economy in China to the world. It reflected the international recognition of our contribution to climate change solutions, and provided a platform on which we could communicate and cooperate with global partners. We believe, continuous efforts and innovation are key for Edianyun to not only create greater values for customers and society but also play a leading role in dealing with global climate change. We look forward to a future of sustainability that is realized jointly with all global partners.



Ji Pengcheng, CEO in Edianyun, sharing his speech at COP 28

Carbon emission management

The role of an enterprise, as well known, is critical in global efforts to reduce carbon emissions. Edianyun makes its contribution to the process by disclosing its carbon emission data as transparently as possible and never stopping figuring out how to shrink carbon footprint effectively.

Greenhouse gas emissions in Edianyun

Indicator	Unit	2023
Total greenhouse gas emissions (Scope 1+Scope 2)	Tons of CO ₂ equivalent	667.07
Direct emissions (Scope 1)	Tons of CO ₂ equivalent	0
Indirect emissions (Scope 2)	Tons of CO ₂ equivalent	667.07
Greenhouse gas emission intensity	Tons of CO ₂ equivalent/number of employees	0.39

Green and Circular Economy

Ediaryun practices the concept of circular economy in business practice and product innovation and forms a sustainable closed-loop system. By means of the “Office Cloud” model and advanced remanufacturing technology, Ediaryun optimizes resource allocation, and effectively extends the lifespan of IT devices to allow efficient flow of equipment in different regions and positions. As a result, resource consumption is largely reduced, leading to a positive contribution to the “dual carbon” goal.



Case

Ediaryun’s first green finance cooperation has been implemented, contributing to the circular economy and receiving capital recognition.

In August, 2023, Ediaryun has reached green finance cooperation agreements with Bank SinoPac Syndicate and SinoPac Leasing for a three-year RMB 100 million dual-certified social responsibility and carbon reduction ESG-linked cross-border term loan and a RMB 10 million sale-and-leaseback green finance project. Looking at Ediaryun's business model, it not only reduces cost pressures for enterprises but also significantly minimizes environmental pollution caused by IT equipment disposal, contributing to a larger scale of greenhouse gas emission reductions for society. It is precisely due to Ediaryun's outstanding contributions in the green economy and circular development field that this green finance cooperation was successfully achieved. This cooperation will effectively promote the company to further enhance its remanufacturing capabilities, accelerate equipment reuse, and drive the sustainable development of a green, low-carbon circular economy.



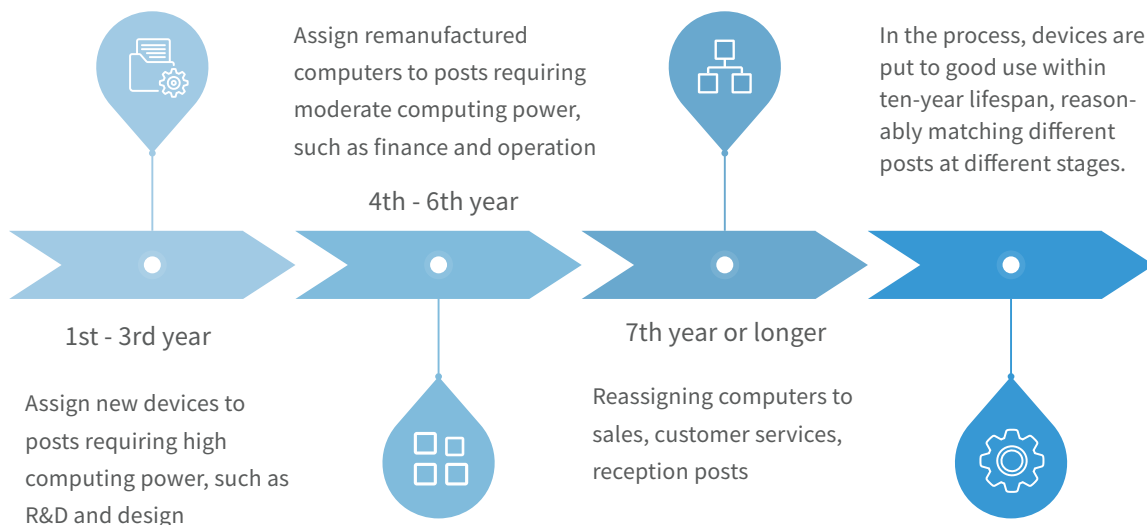
Signing ceremony for green finance cooperation

Business end

In the process of business development, Edianyun has a better knowledge of small and medium enterprises' (SMEs) needs for office devices varying in different stages and satisfied them through effective device recycling. A powerful and efficient computing pool is formed with the "Office Cloud" model we created, through which IT costs incurred in the development of Chinese SMEs are absorbed by a shared device pool and through our unique service network and remanufacturing capabilities, we have innovatively extended the life and computing power of IT equipment across society, effectively enabling on-demand scheduling of computing power for enterprise operations and reducing societal waste of IT resources..

In the subscription-based service model, IT devices can be continuously reused on the client side, allowing flow to the appropriate positions and significant extension of IT device lifespan with remanufacturing technology. Edianyun boasts of 132 self-developed patents in remanufacturing that can extend the service life of computers from 3 years to 10 years and remanufacture 840,370 computers annually. The remanufactured "quasi-new machines" is tested in performance, turning out to be comparable to brand new machines.

In addition, our remanufacturing technology makes a single device serving different positions possible at different times, equivalent to the using value of three computers. At the socialized scale, a dual cycle is achieved as the same device flows from "first and second tier cities to third and fourth tier cities" and "high computing-power industries to low computing-power industries", effectively promoting the circulation and utilization of devices.



Circular process of devices in Edianyun

Product end

Paying attention to the full life cycle management of its products, Edianyun utilizes the self-developed “Nebula System” to capture the clear “life track” each device has stretching from the procurement to intermediate transition, adjustment, departure, and profitability link. We take responsibility for disposal of products at the end that fail market circulation due to quality problems or outdated patterns, and cooperate with third parties qualified for renewable resource recycling to batch auctions and further dispositions for the purpose of environmental protection, minimizing the environmental impact of the products.

Honor and Award

In the reporting period, Edianyun was honored to be “China’s Practice of Circular Economy for Carbon Reduction - Excellent example” by the China Association of Circular Economy.



Certification of Honor: “China’s Practice of Circular Economy for Carbon Reduction - Excellent Example”

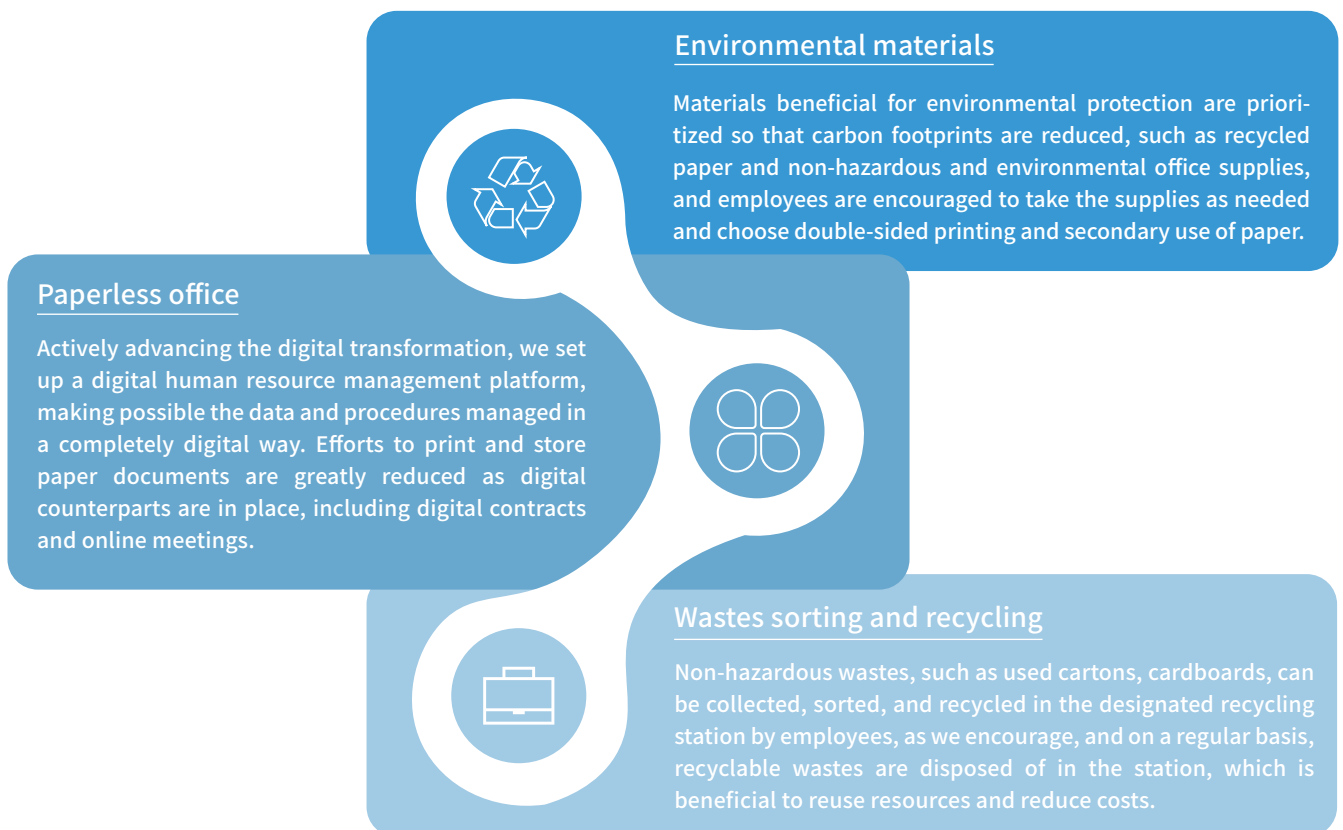


Green Operation System

In active response to China’s major strategic decision to achieve the “carbon peaking and carbon neutrality” goal, Edianyun bears in mind the concept of green office in operation and management as it is committed to sustainable development with energy-saving and emission reduction measures from the source. During the reporting period, we acted totally with relevant laws, regulations, policies, and standards such as the *Environmental Protection Law of the People’s Republic of China* and the *Energy Conservation Law of the People’s Republic of China*, with neither environmental violations that may seriously impact the Company nor any water problem happening. We will set appropriate emission standard, energy and water utilization efficiency goals based on actual operation for green development.

Green office practice

We stick to practicing the concept of green office to promote green culture in the work environment. For instance, we continuously strengthen employees’ awareness of environmental protection and resource conservation, and help them to form good professional habits related to energy conservation and waste sorting, finally creating a green and low-carbon office environment.



Green office actions

Water consumption in Edianyun

Indicator	Unit	2023
Water consumption	Ton	1,050
Water consumption intensity	Ton/number of employees	0.61

Recycling of packaging materials

A rigorous evaluation is a must for materials used by customers to package the end-of-subscription equipment to ensure that packaging safety standards are met. Once passing, such packaging materials will be reused for the shipment of machines and equipment, which is aimed to reduce packaging consumption.

Environmentally friendly disposal of material scraps

At the first, we collect and sort out material scraps from equipment maintenance and other reasons, including discarded batteries, cells, power cables, etc., followed by an evaluation of the reuse value. Those worthy of reuse are further evaluated and screened, and materials meeting safety and performance standards selected to be recycled or reused, while those evaluated not to deserve reusing are processed by a professional agency we entrust to ensure that hazardous wastes are disposed of in compliance and safely. The employed institutions qualified with professional technology and equipment are able to effectively handle hazardous wastes and reduce their negative impact on the ecological environment.

Resource production and recycling of Edianyun

Indicator	Unit	2023
Number of discarded batteries that are recycled	Battery	41,419
Production of toner and ink cartridges	Cartridge	34

03

Customer-oriented: High-quality Solutions

The customer-oriented service concept is a direction guiding Edianyun to provide customers with high-quality products and services, and SMEs with effective solutions to business problems. At the same time, technological innovation is also a focus for us on which we continue to attract professional talents helping the Company offer customers more efficient solutions and protect customer's data and privacy security. It is a strong guarantee for the long-term stable development of the Company.

+ SDGs discussed in the Chapter



+ Material issues discussed in the Chapter

- Product and service quality
- Innovative R&D and intellectual property
- Right and interest protection of customers
- Responsible marketing
- Data security and privacy protection

Focus on Product Liability

As a customer-orientated company, Edianyun actively develops excellent and quality-stable products and professional, reliable, and diversified services provided to customers for them to perform efficient and systematic asset management, and contributes to sustainable development of “responsible consumption and production”.

Product and service highlights

To help SMEs deal with pain points such as costly equipment, limited operation capability of in-house IT teams, and insufficient technical support, Edianyun offers a series of high-quality managed office IT services based on innovative circular subscriptions, including office electronic product subscription services, IT services, SaaS software development, etc., which works to create a closed loop of the office IT industry chain, and help enterprises develop with office asset-light IT equipment. With a nationwide service network established and the “Nebula System” independently developed, the Company can provide personalized customer services and optimize the full life cycle management of devices, thus forming a foundation and driving force for its business development. In the future, it will continuously improve products and services and enhance the service capability of operational systems to create sustainable value for customers with professional technologies and system-based advantages.



Key performance

In the reporting period, Edianyun has

on-service devices
1,204,876

served times for customers

1,738,942

saved IT office time for customers

94,082,029 hours

Office IT integrated solutions

The Company's main service is to provide office IT integrated solutions primarily via the pay-as-you-go subscription method. Problems that SMEs facing in operation are high employee turnover, large IT equipment expense, costly operation of in-house IT teams, etc. To address these, we offer them IT device subscription services, device procurement, inspection, maintenance, operation management and other needs involving in all stages. Our services are flexible and reliable to decrease risks related to IT devices.

Mature technological support is a service embodying Edianyun's characteristics of IT integrated solutions. Self-developed "Xuanji System" was developed for the stronger stability and timeliness of service response, which enables the Company to reasonably schedule over 3,000 IT engineers nationwide. In case of any issues, we provide remote support response within 30 minutes and schedule engineers within 2 to 4 hours for on-site repairs, in order to minimize customer losses and effectively solve the high operation and maintenance costs of in-house IT team.

Case

Office device subscription service mode timely support for domestic brands developing new promotional models

Faced with the continuous evolution of brand publicity model, a domestic brand of daily chemical products wanted to adopt a new method to promote products on the Internet. As a result, its publicity team was expanded rapidly, leading to a sudden increase in demand for office IT products, as well as higher requirements for device performance and technical support. The office IT integrated solution of Edianyun well met its new needs, and received high praise from the customer as it solved problems of increased fixed asset costs and cross regional device management.

SaaS product Ebandian and other services

SaaS product, Ebandian, is designed to help enterprise customers manage their assets and inventories from asset procurement and storage to usage and disposal. Ebandian can be used to track assets at any time, to manage and record with a phone, self-check by the employee, or other methods. It is conducive to more efficient asset utilization and higher values created for customers.

Product quality guarantee

Strictly complying with the *Product Quality Law of the People's Republic of China* and other laws and regulations, and market supervision requirements, Edianyun continuously improves its product quality management system for it regards product quality guarantee as one of core elements in corporate development. As of the end of the reporting period, the Company has been certified by the ISO 9001 quality management system. The Department of Products is responsible for developing a standardized quality inspection process, by implementing the *Shipping Inspection Operation Measures* and other management systems, we ensure that products undergo multiple tests and meet relevant standards before shipment.



ISO 9001 quality management system certificate



Edianyun product inspection process

We have established a product return process to standardize the customer return and exchange process. Based on the customer's location, different return and exchange addresses are recommended. If it is due to normal hardware failure or the end of the normal service period, the company will bear the shipping costs. Packaging materials used for the off-subscription products are reused as we ensure they meet safety standards, in order to promote the recycling of product packaging, while for materials designated as scraps, the product team also rigorously evaluates each component and reuse qualified ones.



Key performance

In the reporting period,

0

sold or shipped product was recalled due to safety or health related problems.

Responsible product marketing

Edianyun performs responsible marketing as per requirements of the *Advertising Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China* and other laws and regulations to include accurate, clear, and detailed information on product performance, quality, price, and others in promotion ensuring the authenticity and timeliness of products and services' marketing. It is our aim to present real customer feedback to consumers, and recommend suitable products and services on the basis of market demand, matching the customer group by taking its regional and industrial features into consideration. Preferential conditions are clearly disclosed on our official website as we effectively practice the principle of responsible product marketing.

Updates of Innovative Technologies

In view that it has experience of research and development for many years, Edianyun cares market and customer needs, and views innovative R&D and intellectual property as a key issue affecting the Company's development. On the basis that rights and interests of the Company and its employees are protected, it responds to updates of innovative technologies by optimizing core remanufacturing technologies and building a systematic model for innovative project management, trying to lay a solid foundation for the sustainability.

Empowerment of product innovation

Dependent on its innovative project management model, Edianyun independently develops multiple innovative technologies that enhance its service and operation capabilities in general. At the same time, progress in the remanufacturing technology is also made, greatly extending the device lifespan, and making high-quality and valuable office devices accessible to customers.

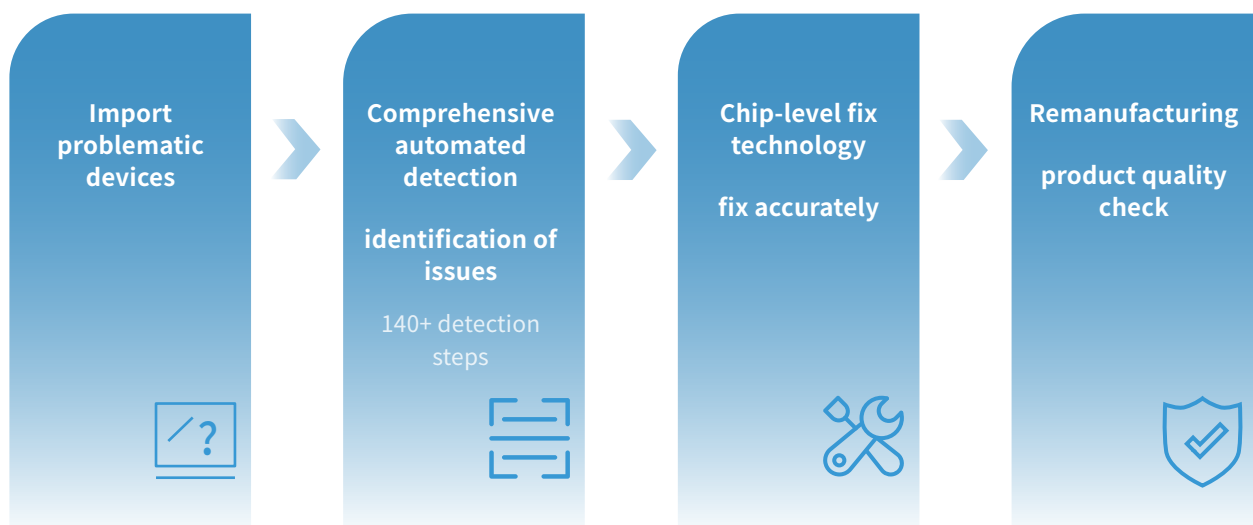
Edianyun remanufacturing

As a provider of office IT solutions and server of software development, Edianyun values innovative R&D, so it continuously improves IT device remanufacturing capability. It offers over 140 self-developed automatic detection programs, manufacturing process, and repair technologies with chip-level precision, which can extend the computer lifespan from original 3 years to 7-10 years and maximize the value of IT devices. In addition, the Company was honored with innovation awards, including National High-tech Enterprise and National Specialized and Innovative "Little Giant" Enterprise. In 2023, the company continued to improve its product innovation in pursuit of excellence, and won honorary awards.

Honors	Issuer
Top Ten Innovation Achievements Achieved in Digital Technologies Empowering Green Transformation	China Association of Circular Economy
The 20th Craftsmanship&Technology Award	People’ s Daily Online
National Enterprise Digital Transformation and Empowerment - Excellent Cases	Zhongguancun Digital Economic Industry Alliance
Beijing New Technology and New Product (Service) Certificate - Corporate Fixed Assets Management System	Beijing Municipal Science & Technology Commission, Administrative Commission of Zhongguancun Science Park, Beijing Municipal Commission Development and Reform, Beijing Municipal Bureau of Economy and Information Technology, Beijing Municipal Commission of Housing and Urban-Rural Development, Beijing Municipal Administration for Market Regulation
Beijing New Technology and New Product (Service) Certificate - Edianyun Office Device Rental Service Platform Online	

Edianyun honors in innovation technologies in 2023

Remanufacturing technology is the highlight of Edianyun. Different from regular product maintenance, the remanufacturing process is the most effective method reconditioning a device to at least its original performance specifications and default configurations while minimizing interference. With the innovative technology, it can provide precise identification of the cause of the malfunction and repair the faulty unit as it is new or better than the new through standardized processes within ten days, significantly improving equipment utilization.

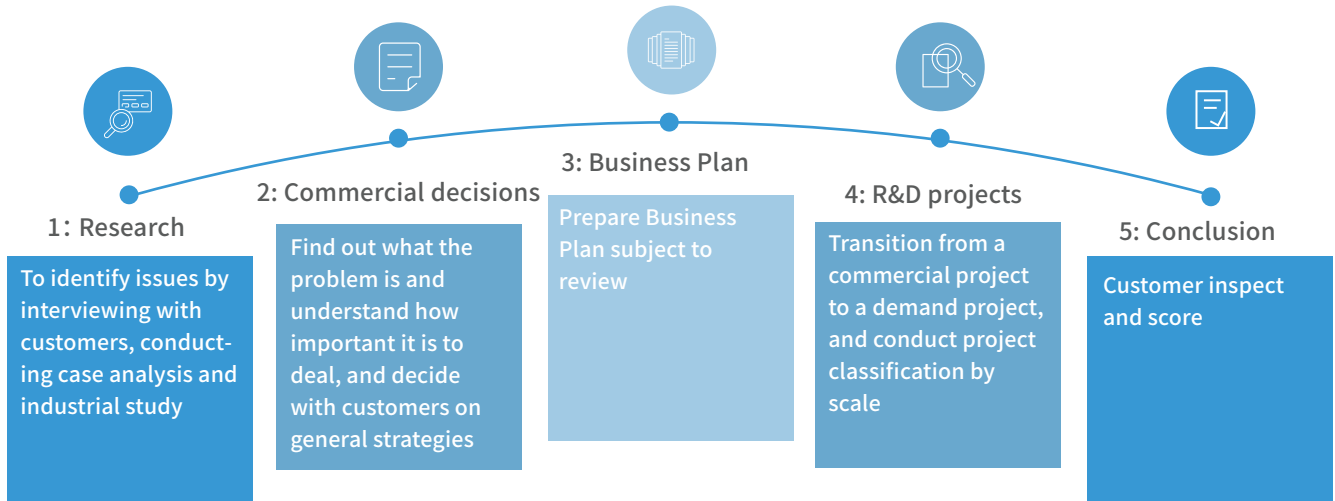


Edianyun remanufacturing process: short-chain, multi-branch "Remanufacturing"

Keyboard detection remains as a major challenge in the link of device detection for remanufacturing, so the Company continued to upgrade its remanufacturing technology in the reporting period. It has officially put into operation the self-developed keyboard inspection robot, with which the yield rate of keyboards is increased to 99.9%. The upgrading allows the self-developed keyboard detection robot to perform automated keyboard detection with the accuracy of keyboard parameters improved, and test more efficiently via unique “Smart Eye” that is capable of automatic identification.

Innovative project management model

It is the responsibility of Edianyun R&D center to engage in the development and management, and building the working model of innovation project development, and clarify development steps to steadily promote the development of innovation. In 2023, the Company completed multiple projects based on the working model, including the independent asset inventory process for SaaS software, construction of the access management system, and the development of Epandian handheld printers. In addition to product and service innovation, the Company also applies this model to optimizing internal operations, innovating and upgrading of its own testing platform, management platform, and digital security.



Edianyun innovative project management model

Introduction and cultivation of innovative talents are important to us. To encourage employees to actively participate in innovative research and development, we set project incentives and provide bonuses to project proposers or project teams. According to the decision of CEO, “Excellent Innovation Award” was set up and will be given to outstanding projects of the year, which may enjoy additional rewards. Besides, innovation ability is regarded as one of indicators to evaluate the comprehensive performances of employees, in order to effectively stimulate their innovation awareness and creativity.

Intellectual property protection

Strictly acting with relevant laws and regulations such as the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*, Edianyun continues to strengthen the protection of its own and other intellectual property rights by incorporating intellectual property protection into employment agreement and highlighting the importance in the *Employee Handbook*. In a timely way, it applies for invention or utility model patent for employees to get protected, which is crucial for the Company's competitiveness and innovation capability. Further special intellectual property protection promotion is proposed in 2024, such as posting office posters and increasing employee training to improve professional skills of relevant personnel in intellectual property protection.



Key performance

In 2023,
the Company applied

6

invention patents

and

3

utility model patents



Right and Interest Protection of Customers

Right and interest protection of customers is the top priority for Edianyun to keep good operation. With continuous efforts to optimize the customer management model, it enhances customer satisfaction with the brand, products, and services by improved communication methods, swift response to customer inquiries and complaints, managing customers' device risks. Practical actions are continued for higher service quality.

Optimization of customer communications

Taking customer expectations into consideration, Edianyun provides quality service. It builds smooth channels to communicate with customers, and regards customer feedback as a valuable resource for understanding customer needs and assessing service quality. In the pre-sales consultation and after-sales support stages of products and services, a well-established communication system works, and the Company publicly discloses commitment to standard after-sales service on its official website. In the sales stage, the Company links official website to an online service program, allowing customers to ask about products and services at any time. At the same time, pre-sales and after-sales consultation hotlines are provided on the homepage of its official website; independent WeChat mini program serving customers was developed, as well as special WeChat group targeting key customers. It is about to improve the quality and efficiency of customer communications via diverse and full-featured platforms.

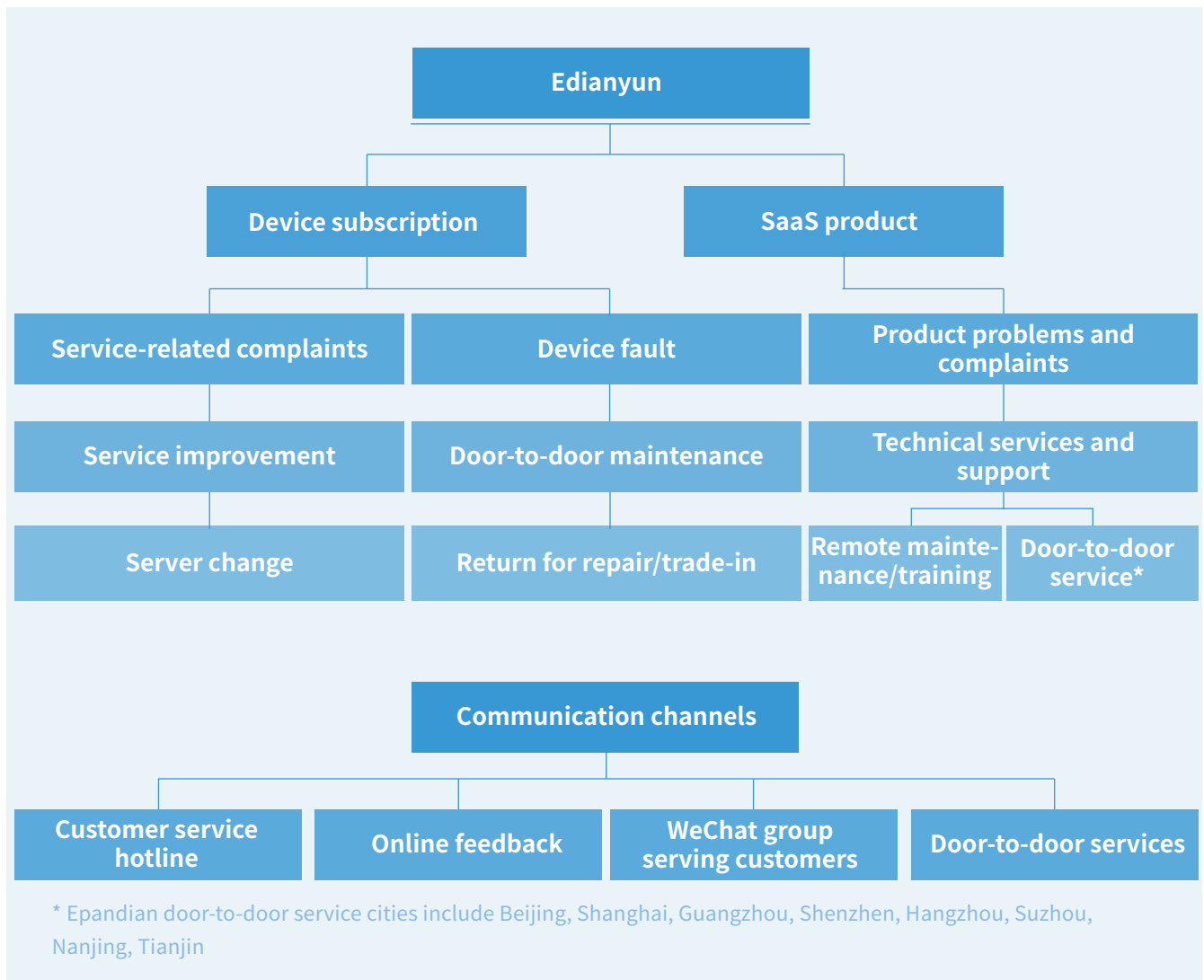
Hotlines for customer feedback

Customer service: 400-886-9528

Pre-sales service: 400-810-9528



We develop and implement a dedicated product and service complaint system and methods, which functions to clarify communication channels for different types of complaints, and responds quickly by types. 7 × 24 hours of telephone service is provided to collect customer feedback on technical fault with the software, and 7 × 15 hours of on-line service supports on-line communication. For minor and common issues, the after-sales team promises to resolve within 1 to 2 hours; for major issues, our professional team provides solutions within 24 hours. In addition, the Company designates a special person responsible for customer communication accounts, which makes possible cross departmental communication and collaboration as well as joint efforts to provide customers with more professional, faster, and more satisfactory after-sales services.



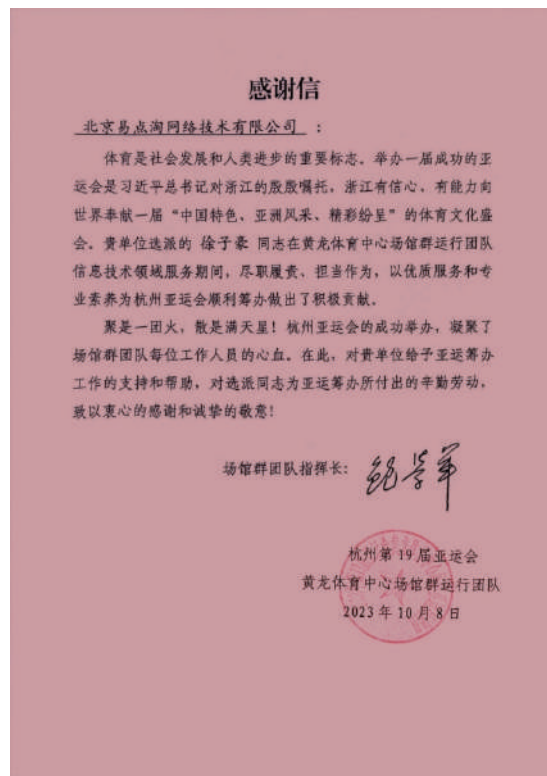
Product and service communication system and methods

More than above-mentioned efforts, strict monitoring is another approach for customer complaints and product failure rates. Internal monitoring indicators are used to reduce the rates, and a more standardized product delivery process is formed on the gradual basis, effectively reducing the inconvenience and troubles caused to customers due to failures.


Case

Edianyun's high-quality customer service contributes to the smooth preparation of the Asian Games and Asian Para Games

As the only supplier in the office cloud industry who provided IT services supporting the 19th Asian Games and Asian Para Games held in Hangzhou, Edianyun provided a total of 4,320 hours IT service and 192 IT devices during the event, fully supporting the Games. Before the start of a certain competition, a technical problem suddenly happened to a streaming device, and was solved swiftly and effectively by an Edianyun engineer who quickly arrived at the scene after a call from the equipment manager. After the event, the operational team of the Huanglong Sports Center at where the Asian Games was held sent a thank-you letter to the Company for its positive contribution to the smooth preparation of the event.



Thank-you letter sent by the operational team of the Huanglong Sports Center of the Asian Games

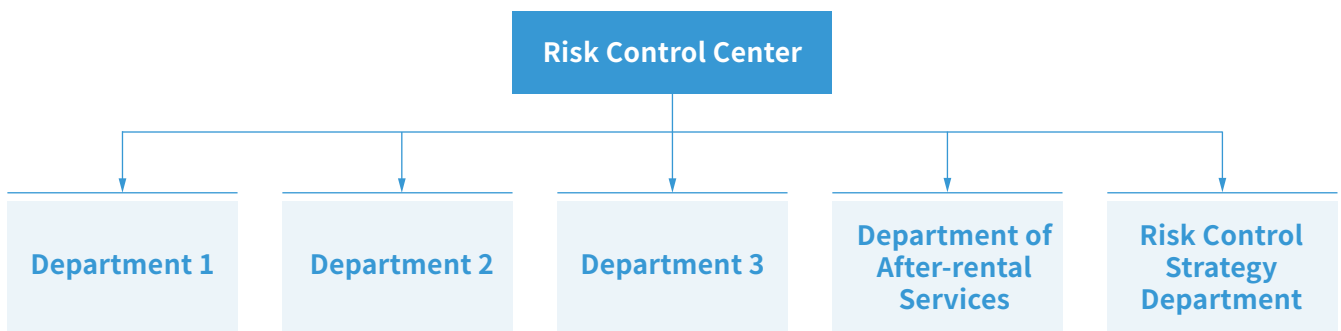


Key performance

In the reporting period, Edianyun received	solved	customer satisfaction rate
118	98.20%	99.66%
product and service complaints	of complaints	

Risk identification management

Edianyun Risk Control Center bears the dual task of providing customers with deposit free services and ensuring the safety of corporate assets. In the center, a risk management system with clear division of labor is established to divide risk management tasks on the business side according to geographical and functional factors. Department 1 and Department 2, respectively responsible for businesses in different regions, need to timely solve urban quotas, conduct risk investigations and risk handling; Department 3 works for the Department of Sales, responsible for risk control approval and management; Department of After-rental Services is responsible for after-sales management, like overdue payments from customers that pose risks to our operations. The Center also sets up a Risk Control Strategy Department, responsible for proposing risk control strategies and improving risk control capabilities and customer experience through projects.



Organizational structure of Edianyun Risk Control Center

Stronger risk management

In 2023, the Risk Control Center launched an intelligent risk management system, which strengthens improvement of the management system and the application of intelligence-based risk control approaches. The Center continues to enhance risk investigation and early warning monitoring so that asset quality is stable generally. Through experience review, survey for risk industry, and regular data review, the Center can formulate effective risk response strategies, timely understand customer situations, and identify risks more quickly, and continuously upgrade and optimize the system. During the reporting period, it identified two major risks on the customer side, respectively closure risk and fraud risk, both causing certain losses to corporate operations. To minimize losses, the Center increases supervision frequency on groups that are prone to customer complaints and strengthens inventory of high-end equipment, and it improves its own compensation and litigation capabilities for the fastest response to related risks.

Risk control training is provided by the Center in order to comprehensively enhance the customer management and risk control capabilities of the sales team. It also acts to enhance the risk awareness on the sales side and the overall risk response and management capabilities on the business side.

Optimization of risk audit process

Ediaryun Audit Department reviews and approves activities related to process, quality, and operation of other departments including Risk Control Center, and provides customers with more standardized experience. As per *Audit Management Measures* the Company formulated, risks related to general operations on the customer side are managed, various problems on the customer side identified, and feedback provided to the management, for the purpose of protecting rights and interests of customers and the Company. The audit work should be arranged by the Audit Office directly under supervision by the Chief Operating Officer (COO).

Audit and review work is conducted in two aspects: risk control line and growth line. We arrange routine and special audits respectively on operational processes and violations of risk control personnel, and develop audit procedures serving to promptly identify problems and report to business department or the management. The same client is inspected and audited by different professional auditors grouped by time and region, who should report and intercept the identified risk to avoid any loss. In addition, the audit department reviews card-based risk assessments and behavioral compliance of salesmen to identify, rectify, and manage any internal factor that may threaten rights and interests of customers.

Routine audits

Purpose: detect risks for customers who subscribe our devices in order to control and avoid losses

Approach: review on systematic data , reports, online published information and operation tracks



Special audits

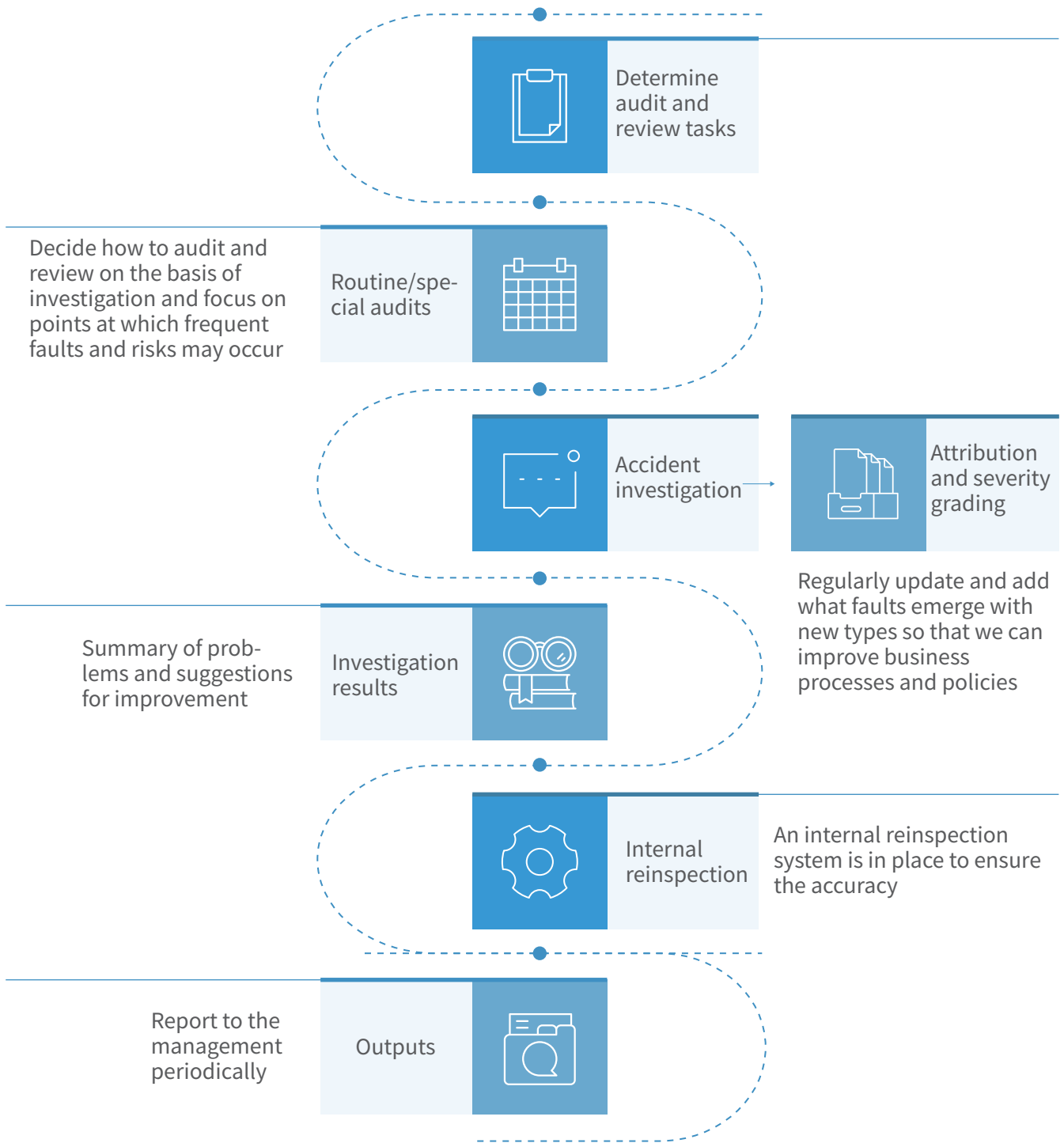
Purpose: conduct survey on suspected violations or time-limited audits

Approach: investigation planning, in-person interviews and researches, examination on online operation logs, check by calling customers



Risk audit work

Starting from the customer side, our audit and review process involves the arrangement of audit tasks, feedback on the degree of risk and follow-up on subsequent solutions. The audit department submits a summary of risk factors to the management when related problems are solved, to help continuously optimize the risk management system. In addition, the department provides training to newly hired audit employees so that they are familiar with the methodology, including internal training, post-practice in the business department, and post-practice in audit operation, as a way to keep the departmental operation at a high level and rigor. Moreover, the department also organizes regular employee training to let its staff know about policy updates, operation, and business details, aiming at professional reserves for the internal good operation.



Audit and review process

Privacy and Data Security

Edianyun attaches great importance to information security and privacy protection. To protect the privacy and data of itself and its customers, the Company has established a strict data security management system, accompanied with a series of management policies, for strict internal control among its employees. Security management measures applicable to product and service types are taken, with regular checks and optimizations in place to ensure that data security and privacy protection are performed as part of routine business and services. As of the end of the reporting period, the Company was certified by ISO 20000 information technology service management system and ISO 27001 information security management system.



ISO 20000 and ISO 27001 certification

Security management system

Edianyun acts completely with relevant laws and regulations such as the *Personal Information Protection Law of the People's Republic of China* and the *Data Security Law of the People's Republic of China* to establish a professional framework for privacy protection and data security management. In addition to a security leadership group and a security working group, it also formulated and implemented multiple information security management policies defining responsibilities and authorities of relevant security management personnel.

The security management system is related to all processes, including individual customer account, product and service purchase, product use, after-sales support, and post use device management, which functions to ensure security of customer data and personal information in accordance with the law. The Company's behavior audit system is used to retrieve behavior records and promptly freeze authorities granted to employees who are found with problems to avoid data leakage by internal employees and ensure the security of sensitive information.



Case

Multiple measures taken to protect privacy information of individual customers

As the platform provided by the Company for product subscription and purchasing is online, product and service promotion and customer information need preserving. At the point, we formulated the *Code of Conduct for the Growth Department* while ensuring the data security of our products and services, which specifies that relevant departments are not allowed to steal or use personal customer information. Legal violations, if any, shall be managed in accordance with relevant regulations of the national judicial authorities.

Meanwhile, customer information is not accessible to or downloaded by salesmen, of which all sensitive information is encrypted on internal web. Salesmen are also not allowed to ask customers for the unique account, password, or any other information registered on the official website, which is to ensure the security and confidentiality of customer information.

Improve privacy protection

Edianyun adopts different management models and methods for privacy and information security of its products and services, which are based on characteristics of products and services and serve for the effective implementation of security work. No major data leakage occurred during the reporting period.



Office device subscription information security in Edianyun

We will communicate with customers about IT device subscription before they decide, and clearly tell them that customer information is not accessible to the Company. Confidentiality and hard disk retention service agreement are signed as required by customers so that they can retain data of the hard disk after using the device. Customers need to format the disk before returning the device if they choose not to keep the data. Of note, we will format the disk again when reassembling the device that is returned in order that any customer information on the device can not be exposed to us.

Information security of SaaS product Ebandian

We help customers understand security requirements for user account allocation, activation, use, change, and cancellation on the corporate data processing platform before Ebandian product is used, as well as requirements and procedures for account-related operation approval. Additionally, we focus on the preparation and regular update of the system permission allocation table, and issues such as account recall, account permission changes, and silent account security for former employees. At the same time, Ebandian product involves strict management on operation permissions and log retention to ensure the security and confidentiality of personal user information.

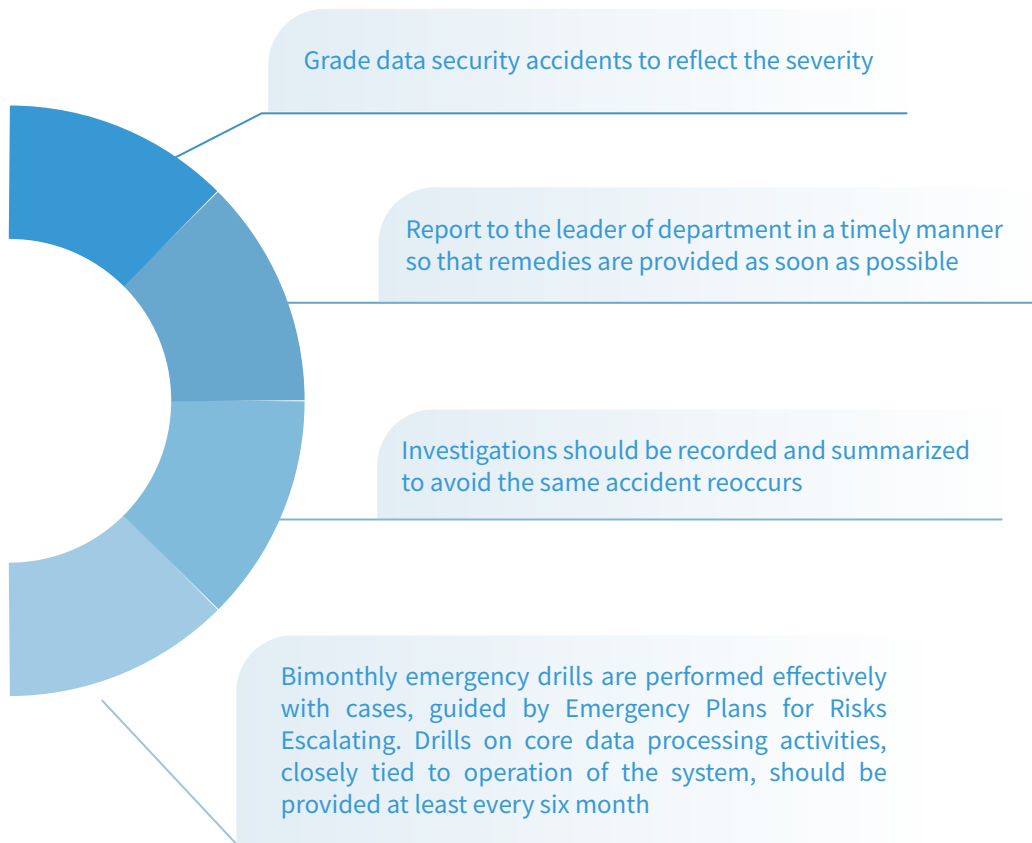
The diagram consists of a large light blue rounded rectangle containing two smaller callout boxes. The left callout box, titled 'Operational access', features an icon of a folder with a gear and a warning triangle. The right callout box, titled 'Log retention', features an icon of a document with a star. Both boxes have a blue triangular pointer pointing towards the center of the main rectangle.

Operational access: Edianyun product is smart to distinguish managers from ordinary employees and customers have access specifically designed according to their corporate natures. Thus, corporate information and asset security are secured.

Log retention: With Edianyun product, logs can be preserved and managed in key links including authorized access to data, data replication, open sharing, destruction, API application. Log should record, at least, operational time and account, processing mode, authorization, IP address, login details, and other essential information, and support identification and tracking of data processing and accessibility. Edianyun backs up the logs regularly to prevent logs from deleting as a result of data security hazards.

Management on operation permissions and log retention

In addition, we invest continuous efforts in the security management of our products in data cooperation, contact with the data security supervision and management department and the execution and cooperation department of our partners to understand their data security methods and implementation requirements in external cooperation. At the same time, we develop and implement the *Data Security Emergency Plan* to minimize consequences of data security incidents that occur when customers use the software, and grade events according to the *Cybersecurity Emergency Response Plan for Public Internet Network* and the impact of data security incidents on legitimate rights and interests of enterprises and personal information subjects and provide remedial measures in a timely manner.



Epanidian data security emergency response plan

04

People-centered: Win-win Development

Edianyun regards talents as valuable resources to support the long-term development of itself. With a focus on the right and interest protection and comprehensive cultivation of employees, the Company provides reasonable salary, benefits, and career development system, while taking into account employee's ability development and physical and mental health. Thus, the Company listen attentively to it's employees and provide robust support for them to give full play to their strengths and realize their dreams. Edianyun is committed to creating great social values together with our employees.

+ SDGs discussed in the Chapter



+ Material issues discussed in the Chapter

- Compliant employment and protection of rights and interests
- Employee training and cultivation
- Health and safety of employees
- Social integration and contribution

Talent Introduction and Retention

Valuing talent as a key resource bringing vitality to the Company, Edianyun is willing to develop a diverse and inclusive work culture. To be specific, Edianyun keeps expanding channels to introduce more talents as a great force in its talent team, improve the matching quality of personnel to positions, and offers employees reasonable salary for their stronger intention to stay. At the same time, respect to individual differences is what makes us create a fair, sensible, inclusive, and collaborative work environment for employees. As of the end of the reporting period, the number of employees in Edianyun amounted to 1,711, with various professional backgrounds.

Equality and respect

Equal employment opportunities are provided for job seekers so that candidates are not affected by age, gender, nationality, race, appearance, religion, family status, etc., and no harassment or insult incidents happen, and Edianyun provides equal and fair competition opportunities for employees throughout the whole process of recruitment, promotion, and training empowerment.

Furthermore, all employees are required to practice equality, respect, and etiquette in their daily performance, and are never allowed to involve harassment, insult, retaliation, or other improper behaviors, in view of which any confirmed violator must be subject to disciplinary punishment, including termination of employment.

Diversity and inclusiveness

Edianyun upholds diversity, equality, and inclusiveness as it believes that a talent team from different cultures and backgrounds can fully encourage employees to bring out potentials and create diverse values, and help it better adapt to the ever-changing market and customer needs. It is a key for the Company to enhance the competitive advantage and growth momentum.

Also, actions are taken to promote gender equality, including equal opportunities provided for all job seekers or employees in recruitment, promotion and transfer, and cultivation processes, and supports to female employees continuously improving themselves and fully unleashing their intelligence and strength in a diverse environment of mutual understanding and support. In addition, we actively fulfill our responsibilities and obligations in accordance with laws, regulations, and other relevant administrative rules, to support the employment of disabled individuals, safeguard legitimate rights and interests of disabled employees, and provide a friendly environment in which they work.



Key performance

By the end of the reporting period, there are

1,711

employees in total

including

537

females

making up

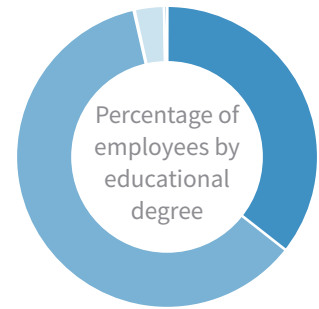
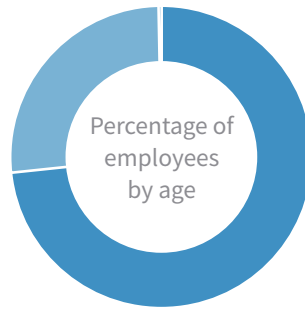
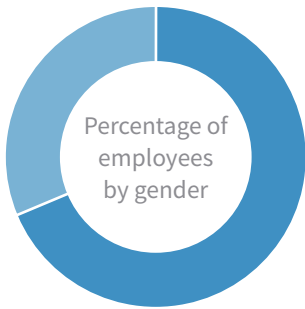
31.4 %

of the total number

and there are

13

employees with disability



Right and Interest Protection of Employees

Ediaryun tries to safeguard legitimate rights and interests of every employee in a way to strictly abide by relevant laws, regulations, and international conventions on employment and labor right protection, and it eliminates, on a resolute standing, illegal employment, and discrimination. Actions taken include: establishing a comprehensive salary, benefits, and promotion system, organizing a professional talent management team to improve management efficiency, maintaining fairness in work, and actively listening to employees via diversified communication channels.

Compliant employment

As a firm advocate of international conventions as well as laws and regulation related to labor rights, including the *Universal Declaration of Human Rights*, the *International Labor Organization Convention*, the *Labor Law of the People's Republic of China*, and the *Labor Contract Law of the People's Republic of China*, Ediaryun never hires child labor when recruiting, and the Company signs labor contracts with employees under laws for legal and compliant employment. It also incorporates concepts of compliance, equality, and non-discrimination into the whole recruitment process and subsequent employee development. If the Company discovers the employment of child labor or forced labor, it will take remedial actions promptly to minimize the negative impact. At the same time, salary and benefits that match positions and responsibilities of employees are designed, with any form of discrimination or bullying completely eradicated in work, and the Company makes sure that every employee has rights to rest and leisure in accordance with the law. As per laws, it is our duty to ensure every employee enjoys equal rights. In this reporting period, the Company did not receive any employment-related report, complaint, or lawsuit.

In addition, we develop reasonable recruitment plans by taking into account the Company's development need and provide a wide range of paths through which talents can be introduced and retained, including campus recruitment, social recruitment, internal promotion, and internships for job seekers, as well as job transfers and rotations opportunities for outstanding internal employees to ensure they can get to more suitable positions. Bonuses and rewards are also prepared for talents referral, which encourage full efforts to seek talents around our employees and ensure more efficient talent mobility.

Meanwhile, under the help of the internal professional computer application technology team, we have developed a human resource management system, which facilitates the integration of human resource information and help effectively solves complex management difficulties. As a result, a more convenient platform is built for employee recruitment and appointment.



Case

Digital talent management system

Ediaryun has applied the independently-developed human resource management system based on the advantage from an experienced human resource team, to the cultivation of a highly professional talent team in which every member performs clear individual duty. The system is efficient to integrate human resource information, complete procedures, release salary and bonuses, and analyze recruitment needs. This software works in a convenient manner that management activities are conducted with less time and labor than before while working efficiency of employees is greatly improved. In the reporting period, the Company was granted the 2023 Knx X Awards by the Knx Organizing Committee for its digital human resource management system.



Ediaryun won 2023 Knx X Awards - excellent digital transformation case

Remuneration and benefits

As per the *Labor Law of the People’s Republic of China* and the *Labor Contract Law of the People’s Republic of China*, and other relevant laws and regulations, Ediaryun provides equal pay for equal work, and provides additional benefits to the employees, including housing provident fund, commercial insurance, housing subsidy, and commuter subsidy in addition to legally-required five insurances (pension, medical insurance, unemployment insurance, maternity insurance, work injury insurance). The remuneration system we have established is reasonable and competitive, fully stimulating employee motivation as it links salary of employees to their performances.



Case

Ediaryun performance management measures

Performance assessment and management methods according to position responsibilities are applied to each position. For example, timeliness, quality, and collaboration efficiency are key indicators to assess specialists in software development, while risk identification, response speed, and results are engaged in risk control specialists. Sales achievement performance is linked to bonuses of salesmen. Besides, management trainees are subject to comprehensive performance assessments on work efficiency, personal growth, team contribution, and other relevant criteria. The Company's intention to link performances to bonuses is to fully motivate employees and enhance their creativity and productivity.

Communication channels

Ediaryun focuses on voices of employees. It encourages employees to share their opinions, suggestions, and improvement ideas, which are genuine feedback important for the Company's development. Thus, the Company provides communication channels such as complaint mailboxes, employee forums, and offline communication with CEO, which make it easier for employees to express opinions or report malefactors. Employees can also provide suggestions and ideas to the Company by such means. In addition, the Company regularly conducts employee satisfaction survey based on which it reviews the rationality of its management and daily operations.

Talent Cultivation and Development

Ediaryun keeps to improvement of the talent cultivation system so that it can be prepared to enhance comprehensive capabilities of employees with adequate resources and promote innovation in the talent team, because talent cultivation and development are critical to its development. At present, a talent development system and training mechanism that cover the entire process from onboarding to promotion have been put into practice, on the basis of which a transparent environment is created for employees to develop and receive training scientifically, so that employees can grow under effective guidance.

Career development and promotion

With continuous efforts invested in better career development paths for employees, Ediaryun defines key factors including promotion processes, standards, and reviews through relevant internal management systems to ensure reasonable and fair promotion. To date, the Company has completed a talent promotion and development system involving paths to development in pillar businesses and sales, as well as professional technology, and management talents, and provided job details to newly promoted or transferred employees from other positions so that they can familiarize themselves with new responsibilities.

To facilitate talent identification and deployment more efficiently, we design the Ivy Plan to help us select internal talents, encouraging internal employees to compete for positions that are open to the all. With full-coverage recruitment and hierarchical appointment as the main employee selection mechanism, and open selection and competition for positions as the core employee management mechanism, the plan stimulates employees to work more enthusiastically and creatively and thus create greater values. In addition, an internal job transfer system serves to help employees seek development opportunities within the institution, improve the rational utilization of talent capabilities, and efficiently cultivate versatile talents.

Employee cultivation system

Personal development of employees is also a focus to Edianyun, who supports with following training programs targeting employees at different levels and fields: onboarding training for new employees, helping them comprehend their job in details more quickly, and adapt to the Company's cultural atmosphere; cultivation programs for management trainees at levels, in which training plans and salaries are clearly specified for each level, supporting the systematic development of management talents and providing guarantees for the long-term development of the Company.

Beyond the employee training system, professional skill training and exchange meetings are provided for talents in computer, sales, legal compliance, and production and operation, which acts as a platform for employees to improve their skills by exchanges and grow with others. Training on business ethics and anti-corruption, privacy and data security, and environmental awareness is also a part of our efforts to effectively improve the overall quality and ability of employees.



Case

Langya Pavilion training scheme

Langya Pavilion is a training scheme established for new employees, aiming at promoting employee's theoretical IT knowledge and skills to dismantle and assemble computer host units. New employees are also informed of the importance of teamwork and gumption in team building activities. *Langya Pavilion* provides three-day training, during which newcomers are required to pass a graduation exam, a machine dismantling-and-assembling test (practical operation), and an IT theory exam after the training as a pre-condition of turning to a regular employee. In the training and team building activities, employees win scores for their team by taking an active part in: asking and answering, team building, and knowledge contests, which is a way for them to better adapt to the position and integrate into corporate culture while having fun.



Langya Pavilion training provided by Edianyun



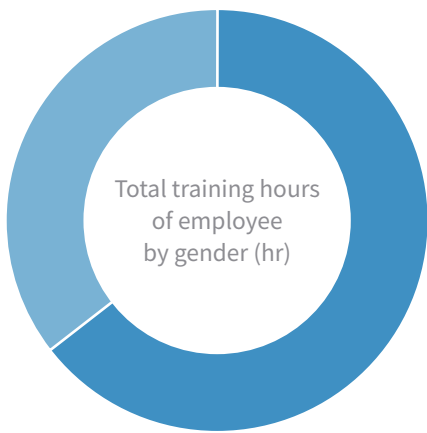
Key performance

In 2023, a total of training hours for Edianyun employees was which is

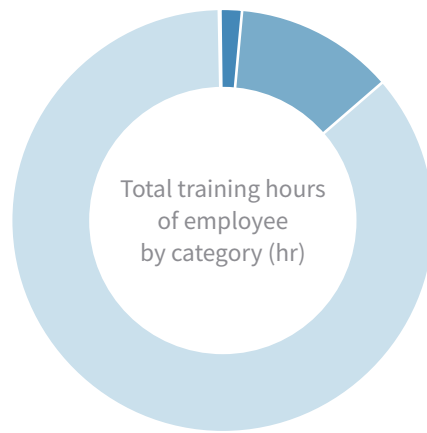
83,520

40 hours

per person



- Male 53,760
- Female 29,760



- Senior managers 1,200
- Mid-level managers 10,000
- General employees 72,320

Occupational Health and Safety

Ediaryun cares the health of every employee, strictly adheres to the laws and regulations including the *Law of the People's Republic of China on Work Safety* and the *Law of the People's Republic of China on the Prevention and Control of Occupational Disease*, and tries to create a safe, well-organized, healthy, and comfortable working environment, in order to prevent and reduce occupational health accidents and damages to the greatest extent. More importantly, the Company advocates for a balance between work and life, and encourages employees to enjoy well-balanced career development and personal life, for which it provides good work experience for employees. In the past three years, no work-related accidents occurred.

Occupational health guarantee

To put the health and safety of its employees in an important place, Ediaryun works actively to build a safe environment that is also healthy and friendly. Occupational health and safety management systems and multiple activities are in place, which enhances employee's awareness of health and safety and allows all employees to work in peace.

Occupational health and safety

Security management has been included in the Ediaryun *Employee Handbook* to remind employees to concern fire safety. During the reporting period, we conducted occupational health and safety training including but not limited to fire drills, office health, emergency treatment, aiming to improve the awareness of employees in health and safety at a broader level, help them identify risks in the work environment and take effective preventive measures for lower incidence rates of health and safety accidents and occupational diseases that may occur in the workplace. In addition, we provide free annual medical examination for employees, so they can know their physical condition and seek medical treatment in a timely manner, which is a critical step to enhance occupational health and safety.

Accessible facilities

Barrier-free facilities, including ramps, elevators, and restrooms, all accessible, are set in the office building for those with disabilities in a human-centered way.



Key performance

In the reporting period, Edianyun invested RMB

5,000,000

in safe production

and RMB

977,200

in occupational health and safety

100 %

employees completing the occupationally physical examination

1

employee was injured in work

0

death happened

15

working days were lost due to injury.

Care towards mental health of employees

In addition to value created by our employees, we also care their mental health and safety. We try to improve the balance between work and life for employees in many ways including team building activities and mental health salons, so that they can regulate mood, and release occupational stress while we effectively enhance the team cohesion and employee's sense of belonging.



Social Welfare and Contribution

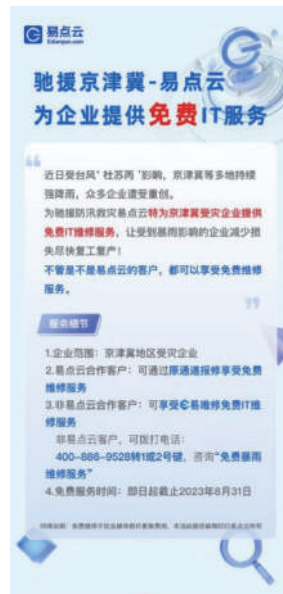
With a persistent focus on social welfare, our participation in public benefit activities rises, and we also encourage employees to take part in various social activities. In the business model of subscription services, we provide more accessible services to a wider range of groups, which makes us a contributor for communities as they can operate and develop in a more sustainable way. In the future, Edianyun will remain as a participant in more welfare activities and in community education, environmental protection, health and so on.



Case

Edianyun provided free IT maintenance services for work and production resumption in the typhoon-hit region

In 2023 when Typhoon Doksuri swept across Beijing-Tianjin-Hebei region, local enterprises suffered serious losses. Intending to help them reduce losses, we volunteered to provide free IT maintenance services for about one month for many affected enterprises, whether they are our customers or not, just to help them accelerate the resumption of work and production.



Poster of Edianyun supporting the affected region with free IT maintenance services



Key performance

In the reporting period,
employees participated in volunteer activities

258 times

in total

total time amounting to

369 hours

and they were granted

2

community service awards



About This Report



Brief Introduction

This is the first Environmental, Social and Governance Report issued by Edianyun. It intends to elaborate on the Company's management and performance in environmental, social and governance matters, and enhance its communication and association with stakeholders. This report has been reviewed and approved by the Board of Directors, and its contents are under its supervision.



Scope of Reporting

This report involves Edianyun Limited and related entities within the scope of listing, unless otherwise specified. The period covered by the report is from January 1, 2023 to December 31, 2023, and in order to provide information with better comparability and perspectiveness in this report, the period may be extended backward or forward.



Preparation Rationals

References for the preparation of the report include: *Environmental, Social and Governance Reporting Guide (Appendix C2) of the Listing Rules* published by the Hong Kong Stock Exchange, Global Reporting Initiative (GRI) Standards, industrial guidelines issued by the Sustainability Accounting Standards Board (SASB), framework and propositions of *International Financial Reporting Standards S2 Climate-related Disclosures*, United Nations Sustainable Development Goals (UN SDGs).



Reporting Principles

The report is underpinned by four principles presented in the *Environmental, Social and Governance Reporting Guide*: materiality, quantitative, balance and consistency. The Company identifies and confirms sustainability-related issues that are important to its businesses through industrial review and importance evaluations, and material issues enjoy the priority for disclosure.



Appellations

"Edianyun", "the Company" and "we" used in the report, for the convenience of writing and reading, all refer to "Edianyun Limited".



Reliability Commitment

Edianyun confirms that no false records, or misleading information is reported herein, and it is responsible for authenticity, accuracy and completeness of the report.



Data Statement

Data presented in this report are internal statistical and archival data, including policies, procedures, manuals, and public information. The monetary amounts herein are all denoted in RMB, unless otherwise specified.



Access

The report, provided in traditional Chinese and English, can be accessible on HKEX website (www.hkexnews.hk) and Edianyun website (www.edianyun.com).

ESG Performance Indicators

Environmental data

Indicator	Unit	2023
Greenhouse gas emissions		
Total GHG emissions (Scope 1 + Scope 2)	tCO ₂ e	667.07
Direct emissions (Scope 1) ¹	tCO ₂ e	0
Indirect emissions (Scope 2) ²	tCO ₂ e	667.07
GHG emission intensity	tCO ₂ e/number of employees	0.39
Waste		
Total hazardous wastes	Kilogram	12
-Total amount of toner and ink cartridges	Kilogram	12
Hazardous waste discharge intensity	Kilogram/number of employees	0.007
Total non-hazardous wastes ³	Ton	N/A
Non-hazardous waste discharge intensity	Ton/number of employees	N/A
Energy consumption		
Total energy consumption	MWh	1,509.11
-Purchased electricity	MWh	431.98
-Purchased heating power	MWh	1,077.13
Energy consumption intensity	MWh/number of employees	0.88
Resource consumption		
Total water consumption	Ton	1,050
Water consumption intensity	Ton/number of employees	0.61
Total packaging materials used for finished goods ⁴	Ton	N/A
Waste recycling		
Total discarded batteries that are recycled	Battery	41,419

1. In the reporting period, fugitive emissions are not taken into account as there are no fixed or mobile combustion sources, and in-production emission sources in the Company.

2. Indirect GHG emissions (Scope 2) include emissions from purchased electricity and purchased heating power. The calculation is based on national grid emission factor defined by the Ministry of Ecology and Environment of the People's Republic of China and National Bureau of Statistics of the People's Republic of China for 2021 released in 2024, 0.5568 tCO₂/MWh.

3. Most businesses are paperless operated, thus non-hazardous emissions are not calculated here.

4. Amount of packaging materials is not included as most are disposed of by the express company.

Employee data

Indicator		Unit	2023
Employment			
Total employees		Person	1,711
Employees by gender	Male	Person	1,174
	Female	Person	537
Employees by level	Management	Person	73
	Non-management	Person	1,638
Employees by region	Chinese mainland	Person	1,708
	Hong Kong, Macao and Taiwan regions of China	Person	1
	Other countries and regions	Person	2
Employees by age	≤30	Person	1,256
	31-49	Person	448
	≥50	Person	7
Employees by education	Below bachelor's degree	Person	610
	Bachelor	Person	1,041
	Master	Person	58
	Doctor	Person	2
Employee turnover			
Total number of employees who left		Person	692
Turnover rate		%	33
By gender	Male	%	23.18
	Female	%	9.96
By age	≤30	%	26.51
	31-49	%	6.63
	≥50	%	0
By region	China mainland	%	33
	Other countries and regions	%	0

Indicator		Unit	2023
Health and safety			
Number of work-related deaths each year for the past three years		Person	0
Accidents of work injury		Accident	1
Lost working days due to work injury		Day	15
Coverage of employees receiving physical examination		%	100
Average hours of training on safety		Hour	1
Investment in safe production		RMB'0000	500
Employee training			
Total employees trained		Person	2,088
Percentage of trained employees		%	100
By gender	Male	%	100
	Female	%	100
By level	Senior managers	%	100
	Middle managers	%	100
	General employees	%	100
Average training hours		Hour	40
By gender	Male	Hour	40
	Female	Hour	40
By level	Senior managers	Hour	40
	Middle managers	Hour	40
	General employees	Hour	40

Supplier data

Indicator		Unit	2023
Total suppliers		Supplier	204
	Number of suppliers in China	Supplier	204
	Number of suppliers overseas	Supplier	0

Product and service data

Indicator	Unit	2023
Products and services		
Percentage of recalled products that have been sold or shipped due to safety and health reasons	%	0
Total complaints on products and services	Complaint	118
Service complaints solved rate	%	98.20
Customer satisfaction	%	99.66
Intellectual property protection		
Number of patents	Patent	132
Number of copyrights	Copyright	27
Number of trademarks and work registration rights	Trademark	37
Number of annual patents newly applied	Patent	9
Number of annual copyrights newly applied	Copyright	0

Governance data

Indicator	Unit	2023
Proportion of independent non-executive directors	%	57.10
Number of employees receiving compliance training	Person	1,100
Average hours of employees receiving compliance training	Hour	4
Lawsuits against bribery filed or concluded to the Company or its employees	Lawsuit	0
Number of directors receiving training on business ethics	Person	7
Average hours of directors receiving training on business ethics	Hour	2
Number of employees receiving training on business ethics	Person	1,700
Average hours of employees receiving training on business ethics	Hour	1

Social data

Indicator	Unit	2023
Investments in communities	RMB	N/A ⁵

5. The company has not yet established a community investment statistical account and has not yet compiled relevant data.

Indexes

Index to HKEX Environmental, Social and Governance Reporting Guide

Mandatory Disclosure Requirements	Content	Pages
Governance structure	A statement from the board containing the following elements: (i) a disclosure of the board’s oversight of ESG issues; (ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.	10-13, 20-22
Reporting principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement. Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	68
Reporting boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	68

Aspect	Indicator No.	Subject Areas, Aspects, General Disclosure and KPIs	Pages
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer; relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	33
	A1.1	The type of emissions and respective emissions data.	69
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	29, 69
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	34, 69
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	N/A
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	33
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	33-34
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources can be used for production, storage, transportation, buildings, electronic equipment, etc.	33-34
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	69
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	34, 69
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	33-34
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	33-34
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A

Aspect	Indicator No.	Subject Areas, Aspects, General Disclosure and KPIs	Pages
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	26
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	26-27
A4: Climate Change	General Disclosure	Polices on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	26-28
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	26-28
B1: Employment	General Disclosure	Information on: (a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer; relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	58-60
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	70
	B1.2	Employee turnover rate by gender, age group and geographical region.	70
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer; relating to providing a safe working environment and protecting employees from occupational hazards.	64-65
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	71
	B2.2	Lost days due to work injury.	71
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	64-65
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training and includes internal and external courses paid by the employer.	61-63
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	71
	B3.2	The average training hours completed per employee by gender and employee category.	71

Aspect	Indicator No.	Subject Areas, Aspects, General Disclosure and KPIs	Pages
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer; relating to preventing child and forced labour.	58-59
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	58-59
	B4.2	Description of steps taken to eliminate such practices when discovered.	58-59
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	17-19
	B5.1	Number of suppliers by geographical region.	17, 71
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	17-19
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	17-19
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	17-19
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer; relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	38-39
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	39
	B6.2	Number of products and service related complaints received and how they are dealt with.	44-47
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	43
	B6.4	Description of quality assurance process and recall procedures.	38-39, 44-46
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	51-54

Aspect	Indicator No.	Subject Areas, Aspects, General Disclosure and KPIs	Pages
B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer; relating to bribery, extortion, fraud and money laundering	12-16
	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.	16
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	16, 19
	B7.3	Description of anti-corruption training provided to directors and staff.	16
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	66-67
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	66-67
	B8.2	Resources contributed (e.g. money or time) to the focus area.	67

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Customer-oriented: High-quality Solutions	Focus on Product Liability	416-1;416-2;417-1;417-2;417-3
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Feedback

Thanks for reading Edianyun Environmental, Social, and Governance Report 2023. Edianyun sincerely invites you to provide comments or suggestions via the following questionnaire, so that we can provide you and other stakeholders with more valuable information and make progress in the capability and level of ESG management.

Edianyun Limited

Edianyun Building, No. 41 Xixiaokou Xisanqi, Haidian District, Beijing, China

Postal code: 100192

Email: ir@edianyun.com



1. What type of stakeholder you are?

- Government and regulatory agencies Shareholders and investors The public (media/communities, etc.) Industrial association/commercial organizations Suppliers/partners
- Employees Public welfare organizations Customers/consumers Other: _____

2. Whether Edianyun ESG performances are completely reflected in the report?

- Yes General No

3. Do you believe this report is sufficient to respond to expectations and demands of Edianyun stakeholders?

- Yes General No

4. Is the quantitative information disclosed in an objective, authentic and efficient way to you?

- Yes General No

5. Does the report read clearly, logically and easily?

- Yes General No

6. Does the layout and design help the understanding of information?

- Yes General No

7. Do you have any comments or suggestions to Edianyun ESG governance or ESG report preparation?