普乐师

Stock code：2486.HK

2024 ENVIRONMENTAL, SOCIAL AND GOVERNANCE（ESG）REPORT

Plus Group Holdings Inc.

CONTENTS

ABOUT THIS REPORT 01

BOARD OF DIRECTORS' STATEMENT 03

CHAIRMAN'S ADDRESS 03

ABOUT PLUS 05

APPENDIX:

ESG REPORTING GUIDE INDEX 71

ESG GOVERNANCE 01

A COMMITMENT TO SUSTAINABILITY

ESG GOVERNANCE FRAMEWORK 11

STAKEHOLDER COMMUNICATION 12

MATERIALITY ASSESSMENT 13

GOVERNANCE 02

FOSTERING A CULTURE OF INTEGRITY AND COMPLIANCE

CORPORATE GOVERNANCE 17

COMPLIANCE RISK MANAGEMENT 19

ANTI-CORRUPTION AND BUSINESS ETHICS 23

INFORMATION SECURITY AND PRIVACY PROTECTION 25

INTELLECTUAL PROPERTY MANAGEMENT 30

PARTNERS 03

COLLABORATING TO EXPLORE NEW FRONTIERS OF SUSTAINABLE DEVELOPMENT

A RESPONSIBLE SUPPLY CHAIN 33

INDUSTRY COLLABORATION 37

CLIENTS 04

INNOVATING DIGITAL AND INTELLIGENT SERVICES EXPERIENCE

SAFEGUARDING CLIENT RIGHTS AND INTERESTS 41

CREATING AN INTELLIGENT SERVICE ECOSYSTEM 43

EMPLOYEES 05

FOSTERING A HAPPY WORKPLACE ECOSYSTEM

EMPLOYMENT OF STAFF 47

TRAINING AND DEVELOPMENT 52

SAFETY AND HEALTH 58

A CARING WORKING ENVIRONMENT 58

ENVIRONMENTAL PROTECTION 06

UPHOLDING EVERY GREEN COMMITMENT

ADDRESSING CLIMATE CHANGE 65

COMMITTING TO LOW-CARBON OPERATIONS 69

GREEN INITIATIVES IN ACTION 70

About This Report

This report is the second Environmental, Social, and Governance ("ESG") Report released by Plus Group Holdings Inc. It outlines the Group's policies, initiatives, actions, and achievements in environmental protection, social responsibility fulfillment, and corporate governance for the year 2024.

Scope of the Report

Unless specified otherwise, this report encompasses Plus Group Holdings Inc. and its subsidiaries (referred to as "Plus", the "Group", "we", "us" or "our"). It covers the period from 1 January 2024 to 31 December 2024 (referred to as the "Reporting Period"). To ensure a complete and interconnected perspective, certain sections of this report extend into previous years and subsequent years.

Reporting Standards

This report has been prepared in accordance with the *Environmental, Social, and Governance (ESG) Reporting Guide* (the "ESG Reporting Guide") under Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HKEX"). Additionally, we have taken into consideration the Global Reporting Initiative's GRI Standards throughout the report's development.

Reporting Principles

This report has been prepared in accordance with the *Environmental, Social, and Governance (ESG) Reporting Guide (ESG Reporting Guide)* under Appendix C2 to the Listing Rules of the HKEX. The content presented in this report complies with the "comply or explain" provisions, as well as the principles of materiality, quantitativeness, balance, and consistency.

The materiality principle

When preparing this ESG report, we incorporated stakeholder communication and materiality assessment processes, forming the basis for identifying material ESG issues.

The quantitativeness principle

This report uses quantitative data to demonstrate the Group's performance in environmental and social aspects through key performance indicators. These indicators are also explained to clarify their purpose and business impact.

The balance principle

This ESG report adheres to the balance principle. The Group endeavors to realize the objectivity of information disclosure. The contents of the report come from the Group's internal management documents, statistical data, and publicly disclosed information to present our ESG performance impartially.

The consistency principle

This report is the Group's second ESG report. A consistent statistical method will be adopted for future reports to facilitate an effective comparison across different annual reports.

Report Format

This report is available in both English and Chinese. The electronic version can be accessed or downloaded from the HKEX website (http://www.hkexnews.hk) and the Group's website (http://www.plscn.com).

Board of Directors' Statement

The Board of Directors of the Group (the "Board") affirms that there are no false records, misleading statements, or material omissions in this ESG report. The following statement is provided regarding the Board's oversight and management of ESG matters:

Governance framework

The Board of Directors serves as the highest governing body for the Group in matters related to ESG. It provides guidance and oversight for the Group's development and implementation of ESG-related initiatives. Specific details about the governance framework can be found in the ESG Governance: *A Commitment to Sustainability section of this report*.

Management policies and strategies

During the Reporting Period, the Group conducted extensive and in-depth communication with stakeholders through various channels. Through analysis, the Group identified our significant ESG issues. The Group then took responsive actions and highlighted our management strategies for these issues in this report.

Chairman's Address

As the wave of digital technology converged with the consensus on sustainable development in 2024, I am honored, on behalf of the Board of Directors of Plus Group Holdings Inc., to present this 2024 Environmental, Social, and Governance Report, which embodies responsibility and innovation. In a year defined by a divergent global economic recovery and a profound restructuring of the geopolitical landscape, we have remained committed to our mission of "leading the digital transformation of offline businesses", while charting new paths toward high-quality development through our ESG strategy.

Enhancing governance to build a solid foundation for sustainable development.

As a public company, we recognize that corporate governance is the cornerstone of sustainable development. In 2024, we further enhanced our corporate governance structure and strengthened our risk management and internal control systems. We proactively address emerging risks, particularly in areas such as cybersecurity, data privacy, and artificial intelligence ethics. Our effort included the establishment of comprehensive preventive mechanisms. In addition, we continue to enhance the transparency of our information disclosures. By regularly publishing ESG reports and engaging in investor communications, we have established closer and more trusting relationships with our shareholders and stakeholders.

Empowering the industry to build a green digital ecosystem.

We firmly believe that offline digital transformation is not only the responsibility of individual businesses, but of the entire industry. In 2024, through our FMES platform, we advanced our data-driven operational model, and delivering smarter and more efficient digital sales and marketing solutions for our clients. Working closely with our supply chain, we promoted green procurement practices and sustainable supply chain management, embedding ESG principles into every links of our business. Furthermore, we are exploring how artificial intelligence and big data can support energy conservation and emissions reduction, helping our clients transit to a low-carbon future.

Being people-centric and committed to creating a happy and fulfilling workplace.

At Plus, our employees are our most valuable asset. In 2024, we focused on fostering an open, inclusive, and dynamic work environment. We further enhanced our talent development system and launched the "Internal Partner Program", which aligns personal development with company values. We also refined our compensation and benefits system, introducing share award scheme to ensure employees can share the Company's growth. We remain committed to our employees' physical and mental well-being to boost employees' sense of belonging and satisfaction, including offering a variety of cultural activities and social responsibility programs.

Giving Back to Society to fulfill corporate social responsibility.

At Plus, we see social responsibility as a core mission of corporate development. To enhance our work in addressing climate change and advancing carbon neutrality, we adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) for the first time. As part of our efforts, we identified and assessed climate-related risks and opportunities from four dimensions: governance, strategy, risk management, and targets. We have established a management framework and strengthened our initiatives to respond to climate change. In response to the national "dual carbon" targets, we have significantly reduced carbon emissions in our operations through technological innovations and resource optimization, contributing to the fight against climate change.

Looking ahead to creating long-term value together.

As we embark on a new chapter in history, Plus will remain steadfast in the mission of "leading the digital transformation of offline businesses and continuously create value to achieve mutual success with our clients," while refining our business strategies and enhancing our core strengths. Guided by our ESG strategy, we will continue to make improvement in the areas of environmental impact, social responsibility, and governance, all while working toward the Group's long-term sustainability goals.

On behalf of the Board, I would like to extend my highest respect to all the employees, partners, and stakeholders who have contributed their insights, trust, and valuable suggestions along our ESG journey. The future is already unfolding, while change is inevitable. Plus will continue to shape the future of commercial civilization and sustainable development through digital innovation and a strong sense of responsibility.

Chairman, executive Director and chief executive officer of Plus Group Holdings Inc.

Sun Guangjun

About Plus

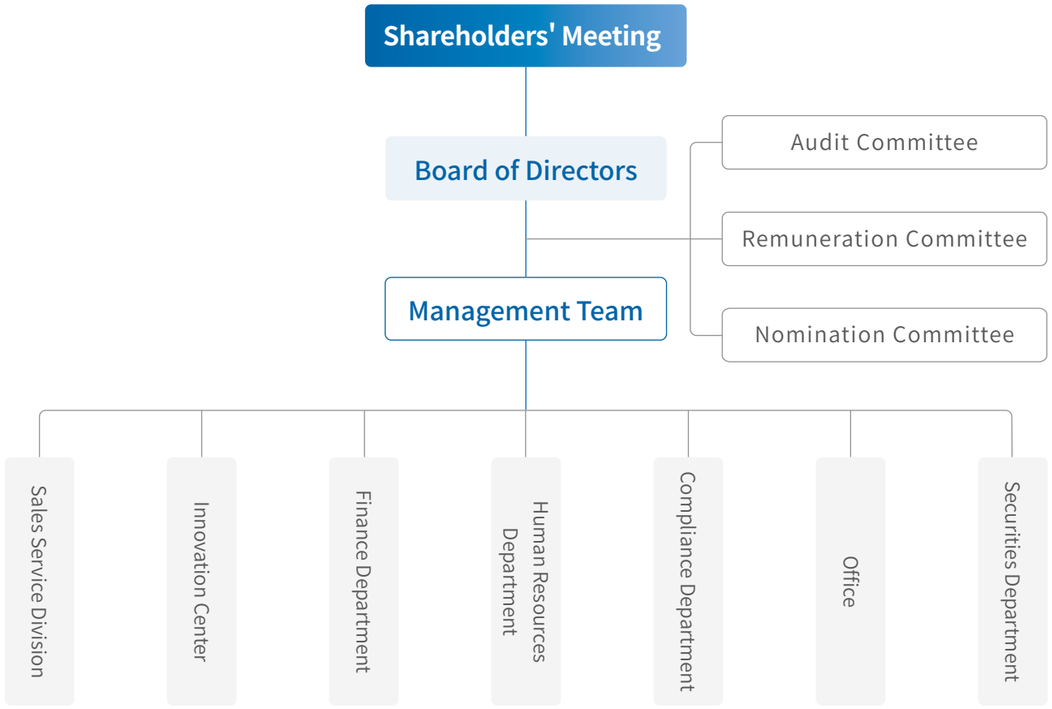
Plus is an established sales and marketing service provider that specializes in delivering on-the-ground sales and marketing solutions to leading FMCG (fast-moving consumer goods) brands and distributors operating in major offline retail outlets, such as supermarkets, department stores, and outdoor promotions. We offer four types of services, including (i) customized marketing solution, (ii) task and marketers matching service, (iii) marketers assignment service, and (iv) SaaS+ subscription and other services.

Since our establishment in 2004, we have remained dedicated to providing comprehensive sales and marketing services tailored to the specific needs of our clients. We serve clients of varying sizes across China to support their sales and marketing endeavors. Our services reach over 320 cities in 31 provinces and municipalities directly governed by the central government across China. Furthermore, by leveraging the data amassed through our services, we have built a data repository comprising information from over four million endpoints.

As of 31 December 2024, Plus Group Holdings Inc. has the following 14 subsidiaries in China:

- Plus (Shanghai) Digital Technologies Co., Ltd.
- Shanghai Winning Idea Marketing Solution Co., Ltd.
- Shanghai Mecool Marketing Services Co., Ltd.
- Shanghai Harvest Marketing Solution Services Co., Ltd.
- Shanghai Retail Winner Digital Technologies Co., Ltd.
- Shanghai Mecool Business Consulting Co., Ltd.
- Shanghai Chengzhi Information Technology Co., Ltd.
- Shanghai Winning Idea Marketing Services Co., Ltd.
- Beijing Plus Technology Co., Ltd.
- Beijing Ruosheng Technology Co., Ltd.
- Puluote (Shanghai) Digital Technology Co., Ltd.
- Shanghai Subide Technology Co., Ltd.
- Shanghai Suditong Information Technology Co., Ltd.
- Shanghai Rongxi Yunpin Talent Technology Co., Ltd.

Plus' organizational structure



Plus' Corporate Culture

Vision	To become an offline traffic portal by providing clients with extensive and evolving SaaS+ products.
Mission	To lead the digital transformation of offline businesses and continuously create value to achieve mutual success with our clients.
Core values	Innovation, ownership spirit, trust, honesty, integrity, openness, and fun

Performance indicators and honors

Performance indicators

Revenue

1,046,361 thousand yuan

a YoY increase of

44%

Total assets

800,708 thousand yuan

a YoY increase of

15%

Expenditures in R&D

16,562 thousand yuan

Current Ratio

2.5

EPS

0.1 yuan/share

Corporate ESG Honors

China Excellence IR 2024-2025 "Best ESG Newcomer Award"

In 2025, the Group was honored with the China Excellence IR 2024-2025 "Best ESG Newcomer Award." This award recognizes listed companies that have integrated ESG development strategies into their corporate governance framework and future growth concepts over the past three years. It highlights those that have shown outstanding performance in ESG system development, ESG information disclosure, and ESG communication practices in 2024, with significant potential for high growth in ESG initiatives.

01 ESG Governance
A Commitment to Sustainability

ESG GOVERNANCE FRAMEWORK 11

STAKEHOLDER COMMUNICATION 12

MATERIALITY ASSESSMENT 13

ESG Governance Framework

We fully recognize that environmental, social, and governance (ESG) factors can have a potential impact on an enterprise's shareholder value, reputation, supply chain, and sustainability as a whole. Therefore, we always view business sustainability as a key foundation for establishing long-term trust with the public. During the Reporting Period, the ESG task force, consisting of representatives from each department, maintained its focus on addressing relevant issues to ensure effective management and response.

The Board of Directors serves as the highest decision-making body for the Group's ESG governance. It holds full responsibility for formulating and overseeing ESG strategies. Its main duties include evaluating and establishing ESG management policies, overseeing the implementation of ESG matters, reviewing ESG progress on a regular basis, and approving annual ESG reports. These efforts can ensure the Group's strategic direction for sustainability is clear and practicable.

In addition, each business department, within the scope of its respective responsibilities, develops ESG management policies and specific goals aligned with operational characteristics. They also regularly identify and assess ESG-related risks and opportunities while implementing corresponding management measures. Department heads regularly report the latest progress of ESG initiatives to our management, thereby ensuring the smooth execution and continuous optimization of the ESG strategies.

Stakeholder Communication

In our ongoing efforts to promote sustainability, we place great emphasis on stakeholder communication. We have established routine communication mechanisms with stakeholders through multiple channels, actively listening to their voices, understanding their expectations and demands, and welcoming their supervision.

Stakeholder Concerns and Our Responses

Stakeholders	Shareholders and investors	Government and regulatory bodies	Media	Employees	Clients	Consumers	Suppliers	Community and public
Key Issues	• Investment returns • Information disclosure • Risk management	• Compliant operations • Adherence to tax laws and regulations	• Promotion of industry development • Commitment to business integrity • Fulfillment of social responsibility	• Protection of employee rights and interests • Occupational health and safety • Employee benefits • Equal opportunities and diversity	• Ethical business operations • Mutually beneficial collaboration	• Personal privacy protection • Service quality assurance	• Fairness and justice • Mutually beneficial collaboration	• Community engagement • Environmental protection
Communication Channels	• Annual reports, financial statements, and announcements • Shareholders' Meeting • Company website	• Direct communication • Workshops and exchange meetings	• Social media • Official websites	• Internal meetings • HR emails • Suggestion boxes • A well-established compensation and benefits system • A well-structured career development system • Protection of employee health and safety	• Communication meetings • Commitment to business ethics • Technological development and innovation	• Official websites • Client service hotlines • Social media	• Management of environmental and social risks associated with suppliers • Business communication and collaboration • Transparent procurement	• Social media • Green office initiatives

Materiality Assessment

In 2024, the Group conducted a review and adjustment of material issues following a three-step process: "Identification - Prioritization - Assessment", to further refine the material issue matrix for 2024. The specific process is outlined below:

STEP ONE

Step 1

Identification of ESG issues

In accordance with the requirements outlined in the ESG Reporting Code and considering the Group's business operations as well as the specific characteristics of the industry in 2024, we carried out a thorough analysis and identified 15 ESG issues of concern to our stakeholders. Furthermore, we determine that these issues cover our ESG practices during the Reporting Period.

STEP TWO

Step 2

Prioritization of issue materiality

Through internal interviews and discussions, as well as external expert consultation, we assessed each issue against their "level of materiality to Plus" and their "level of materiality to stakeholders". Subsequently, a materiality assessment matrix was generated to accurately reflect the research results.

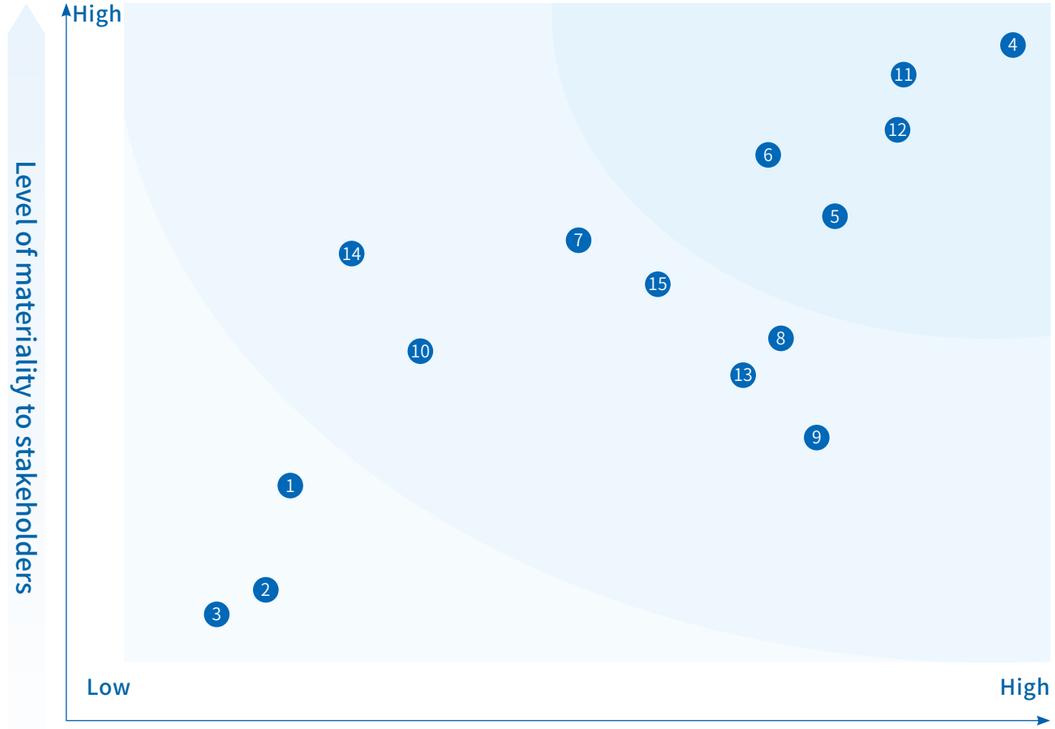
STEP THREE

Step 3

Verification of assessment results

The Board of Directors reviewed and approved the materiality assessment results. Based on these findings, the Group identified 5 issues of utmost importance: product quality and customer service, data security and privacy protection, technological innovation capability, employee development and training, and the protection of employee rights and benefits. We will address these key concerns in dedicated sections of our report to ensure that we meet the expectations of all stakeholders. Below is a matrix illustrating the material issues identified by the Group:

Plus' material issue matrix



01 Addressing climate change	06 Employee development and training	11 Data security and privacy protection
02 Energy and resource management	07 Employee health and safety	12 Technological innovation capability
03 Waste management	08 Diversity and equal opportunities	13 Intellectual property protection
04 Product quality and client service	09 Corporate governance	14 Compliance risk management
05 Protection of employee rights and benefits	10 Supply chain management	15 Business ethics and integrity

02 Governance

Fostering a Culture of Integrity and Compliance

Plus firmly believes that sound corporate governance is the cornerstone of sustainable development. We always uphold the principles of integrity and fairness. Joining hands with stakeholders, we make ongoing efforts to optimize our governance structure and internal control systems and enhance our risk control capabilities, ensuring compliance and high efficiency in our business operations. We will continue to enhance ethical business practices, proactively address the challenges, and drive the Group's high-quality development through sound management, creating greater value for society.

CORPORATE GOVERNANCE 17

COMPLIANCE RISK MANAGEMENT 19

ANTI-CORRUPTION AND BUSINESS ETHICS 23

INFORMATION SECURITY AND PRIVACY PROTECTION 25

INTELLECTUAL PROPERTY MANAGEMENT 30

Corporate Governance

The Group always adheres to the *Corporate Governance Code* set out in Appendix C1 to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, as well as the Articles of Association of the Group. We have established a corporate governance structure with a clear division of responsibilities and checks and balances of power. With this structure in place, we ensure that decision-making processes are both science-based and rational, thereby guaranteeing the efficient operation of the Company. We are committed to following these regulations to ensure the sound development of the Company while safeguarding the interests of shareholders and other stakeholders.

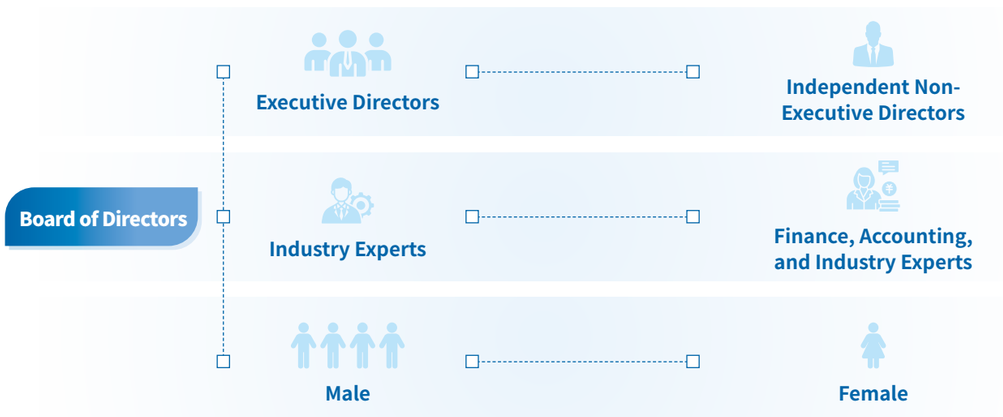
Board Diversity

The Chairman of the Board is Mr. Sun Guangjun, the founder of the Company. The directors of the Company are composed of industry experts, financial experts and accounting specialists. All directors possess extensive knowledge and a deep understanding of the Group's operations in the SaaS and marketing field. As such, they are well-equipped to help create greater value for all stakeholders.

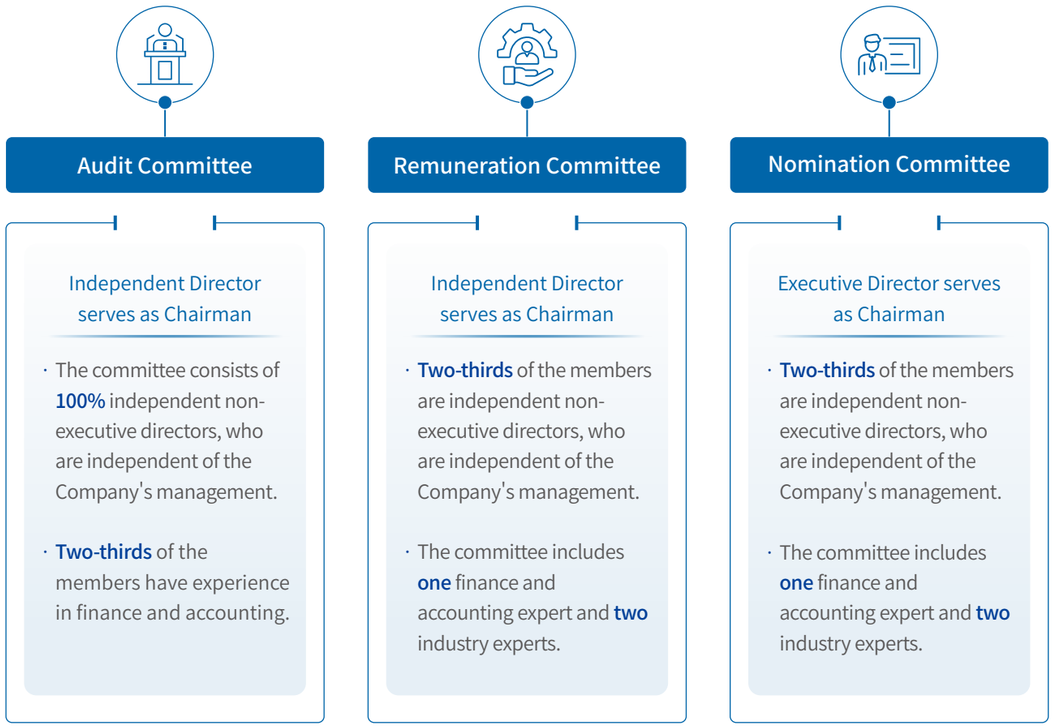
We value the benefits of Board diversity in enhancing corporate governance. Therefore, the Terms of Reference of the Nomination Committee stipulates that when nominating directors, considerations must include the candidates' expertise, skills, knowledge, abilities, experience, and compliance needs, as well as the Board structure, size, and the balance of diversity.

As of the end of the Reporting Period, the Board consisted of five members, including two executive directors and three independent non-executive directors. In particular, the proportion of female directors increased from 14% in 2023 to 20% in 2024, while the proportion of independent directors increased from 43% in 2023 to 60% in 2024. For the year ended 31 December 2024, we held 24 Board meetings and disclosed a total of 46 reports.

Board Composition Diagram of the Group



Composition of the Group's Committees



Board Member Data				
Data Indicators		2022	2023	2024
Number of Board members		7	7	5
Disclosure by gender	Male director	6	6	4
	Female director	1	1	1
Disclosure by type	Independent director	3	3	3
	Non-independent director	4	4	2

*Note: Statistics are based on data as of 31 December of each year ended.

Investor Relations

The Group highly values the management of investor relations. In addition to our internally established *Shareholder Communication Policy and Information Disclosure Management Policy*, the Group discloses information and manages investor relations in compliance with the *Working Guidelines for the Relationship Between Listed Companies and Investors*, as well as the Rules Governing the Listing of Securities on The *Stock Exchange of Hong Kong Limited.*

Investor Communication Channels for the Group

Shareholders' Meetings

These meetings include the Annual General Meeting and any other Shareholders' Meetings that may be convened.

Investor Events

The Group regularly organizes various activities to engage with investors, such as presentations for investors and analysts, hosting or participation in industry forums, media interviews, and investor outreach events

Group Website

Company publications posted on our official website and corporate communications are included.

Financial Reports

These reports encompass the Group's interim and annual reports.

Materials Disclosed to the HKEX

All materials disclosed to the HKEX

Dedicated Contact Information

Investor hotline: 021-60321928
Investor email: ir@plscn.com

Compliance Risk Management

To further strengthen internal controls and enhance risk identification and management capabilities, the Group keeps refining internal regulations such as the *Compliance Management Policy*, the *Internal Control Management Policy*, and the *Legal Affairs Management Policy* in accordance with relevant regulations, ensuring the effective operation of its risk management mechanism. The Group has established a compliance management system with the Board of Directors as the highest decision-making body. The Compliance Department oversees this system, ensuring regular monitoring and evaluation of compliance in daily operations across all subsidiaries, business teams, and supporting departments.

The Group's compliance management organizational structure

Board of Directors

The highest decision-making body

Functions:

- Overseeing senior management
- Making compliance decisions

Audit Committee

Led by designated individuals

Functions:

- Overseeing the financial reporting system
- Managing risk and internal control systems

Compliance Department

Led by internal control officers

Functions:

- Supervising the daily compliance performance of each subsidiary/business team

The Group adopts a holistic, practical, and effective compliance approach that is also independent, science-based and innovative, and applicable to all employees. Based on this, we have established a three-tiered risk control system and implemented a compliance management mechanism to ensure that our business operations are conducted efficiently within acceptable risk limits. This ongoing effort safeguards the long-term interests of the Company and our shareholders. Furthermore, we continue to optimize our internal control system to establish an environment with well-established internal controls. Based on this, we further reduce the Group's internal compliance risks by enhancing information transparency through systematic risk assessments, controls, and regular communication and supervision.

The Group's three-tiered risk control system

Tier 1 Risk Control

Core Business Team

This team takes charge of front-end risk control in daily business operations, such as assessing client qualifications and creditworthiness. They are also responsible for ensuring that our suppliers adhere to execution standards and maintain excellent service quality.

Tier 2 Risk Control

Functional Support Team

In collaboration with the business team, this support team facilitates project execution to achieve predetermined profits. Their responsibilities include ensuring legal hiring, reasonable budgeting, and spending in line with actual needs.

Tier 3 Risk Control

Compliance Oversight Team

By conducting necessary spot checks, the team verifies the effectiveness of the first two tiers of risk control, and ensures that the risk management process is fully completed.

The Group's internal control system

Internal Environmental Control

The Group has developed supporting systems, such as the *Internal Risk Management System*, the *Anti-Corruption and Anti-Commercial Bribery Regulations*, and the *Emergency Response Rules*. Additionally, we have set up a clear and open reporting and complaint process, creating a robust internal control environment.

Comprehensive Risk Assessment

The Group has set up a comprehensive risk assessment system that considers our annual development strategy, business goals, and the unique aspects of our industry and operations. This system helps us timely identify and analyze various risks in our business activities. We have also put in place an emergency response mechanism and, considering our risk tolerance, have established reasonable strategies to address identified risks.

Risk Control Activities

The Compliance Department learns about the operations of our business teams through research, inquiries, and engagement. We use key control points, such as incompatible job responsibilities, multi-level review, effective authorization, to create a Compliance Control Risk Matrix. This tool aids in fulfilling the responsibility for addressing compliance issues and their closed-loop improvement. It also offers practical risk management guidance to our business managers.

Information and Communication

- We utilize modern information systems such as OA, ORACLE, and Q-eHR to ensure timely communication and traceability of internal management information.
- Division meetings and quarterly business analysis meetings are held regularly to discuss and analyze our operational management.
- Externally, we prioritize information communication with industry associations and relevant regulatory authorities to ensure that the Group operates soundly and in compliance with the law.

Internal and External Oversight

The Group carries out preventive and supervisory work on internal control based on our compliance management organizational structure. The Compliance Department has dedicated personnel who review and evaluate the day-to-day implementation of internal control within the Group. We actively communicate and cooperate with external audits to ensure the security of our assets and the accuracy and completeness of our financial information.

In 2024, the Group further strengthened compliance training to enhance the regulatory awareness and compliance capabilities of both the Board and employees. For senior management, the Group conducted specialized training on Hong Kong capital market regulatory rules, helping Board members gain a deeper understanding of the latest regulatory requirements to ensure that their decisions are in line with market compliance standards. At the same time, we organized legal literacy training for employees, covering legal considerations in our business management, employee conduct boundaries, and more, to help them identify and prevent legal risks in their daily work. Also, the Group will continue to promote the development of a compliance culture for all employees. This effort can ensure that employees receive necessary compliance training upon new hiring, promotion, and job transfers and further enhance our risk management capabilities.

Case **Conducting Legal Literacy Training for All Employees to Foster an Awareness of Compliance Culture**

To further strengthen employees' legal and compliance literacy, the Group invited professional experts from a third-party law firm to conduct legal literacy training for all employees during the Reporting Period. The training focused on core topics such as legal considerations in business management, requirements for managing data as an asset, employee conduct boundaries, and more, to help them identify and prevent potential legal risks in their daily work.

The training adopted both online and offline methods to maximize employee participation. For employees unable to participate in the offline training, we provided online course recordings and relevant learning materials, enabling them to acquire compliance knowledge flexibly through the Group's OA office system at their convenience.

Employee training on legal literacy

Case **Strengthening Board Compliance Training with a Focus on Hong Kong Capital Market Regulation**

To ensure the Board can fully understand the latest regulatory requirements of the Hong Kong capital market, the Group organized two training sessions on specific topics during the Reporting Period. This further enhanced the Board's capabilities in compliance management.

First, we organized individualized training session for newly appointed director, covering key compliance requirements such as Hong Kong regulations and rules, share trading regulations, shareholding disclosure obligations, insider trading, and market misconduct. This training helped the new director quickly adapt to the governance environment of listed companies, ensuring that their decision-making complies with regulatory standards.

Secondly, we offered online training for all directors, focusing on the regulatory trends at the Hong Kong Stock Exchange, the latest amendments to and proposals of the Corporate Governance Code, and compliance requirements for financial products. This training helped Board members stay updated on the latest regulatory developments, ensuring that corporate governance policies align with market standards and further enhancing the corporate compliance management level.

Compliance Training Data			
Data Indicators	2022	2023	2024
Number of employees participating in compliance training	89	50	219
Average hours of compliance training per employee	4	6	6

*Note: Statistics are based on data for each of the year ended 31 December.

Anti-Corruption and Business Ethics

The Group has always adhered to the principle of operating in good faith and strictly complied with the *Anti-Unfair Competition Law*, the *Interim Provisions on Prohibiting Commercial Bribery* and other relevant laws and regulations. We have established and continued to improve the *Anti-Corruption and Anti-Commercial Bribery Regulations* to ensure that these regulations apply to everyone in the Group and stakeholders such as customers, suppliers, and contractors involved in business transactions with the Group. We oppose any form of commercial bribery, money laundering, monopoly, and other unfair competition practices.

During the Reporting Period, we further strengthened our anti-corruption management policy and strictly implemented a commitment system to prevent bribery. In key business areas and critical positions, we require the relevant personnel to sign a *Letter of Commitment to Integrity and Self-Discipline*, granting them authorization to represent the Group in signing external contracts and agreements. Furthermore, all parties involved in business transactions with the Group, including clients, suppliers, service providers, and contractors, are required to sign an *Anti-Commercial Bribery Agreement* and adhere to the Group's anti-corruption and compliance policies, ensuring the integrity and compliance of the supply chain. In addition, we have continued to strengthen our internal supervision and training policies by organizing regular anti-corruption and compliance training. This effort can enhance all employees' risk prevention awareness and ensure that we can maintain stable operations in accordance with high standards of business ethics.

To prevent conflicts of interest among our directors, senior managers, and the Group, as well as to protect shareholder interests, we have established the *Conflict of Interest Management Policy*. The audit committee is responsible for addressing conflicts of interest, while the Compliance Department coordinates and manages day-to-day operations. Our directors and senior managers commit to transparency by signing a *Declaration on Conflict of* Interest and submitting a *Conflict of Interest Disclosure Form*. This process clarifies situations that might pose a conflict of interest and outlines the rules they shall follow. This ensures that everyone understands the rules and helps reduce the risk of favoritism and corruption, contributing to a culture of integrity throughout the Group.

In 2024, we further upgraded the conflict of interest management by implementing the *Conflict of Interest Policy of the Company*. This expands the scope of conflict of interest management, originally applicable only to directors and senior management, to cover all employees. Also, the policy clearly defines various scenarios of personal conflicts of interest and establishes a conflict identification mechanism led by the employees' direct manager. In this way, we can ensure that all personnel strictly adhere to the principles of integrity and self-discipline, any situation where preventing personal interests could influence company decisions.

Reporting Hotline

Internal and Supplier Complaint Channel:
wbjb@plscn.com

In 2024,

The Group recorded **0** corruption incidents

The Group recorded **0** instances of unethical business practices

100% of core suppliers signed the Anti-Commercial Bribery Agreement

The Group's anti-corruption system

Regulatory Department: Audit Department

Institutional Safeguards
- **General provisions:** Anti-Corruption and Anti-Commercial Bribery Regulations
- **Internal:** Letter of Commitment to Integrity and Self-Discipline
- **External:** Anti-Commercial Bribery Agreement

Inspection Mechanism
- **Execution method:** Open and discreet inspections by the Regulatory Department
- **Handling process:** Identified violations → Intervention/Resolution → Notification

Reporting Mechanism
- **Channel:** Anti-commercial bribery reporting email
- **Whistleblower protection measures:**
  (1) Strictly maintain the confidentiality of whistleblower information
  (2) Prohibit disclosure of information to the reported party
  (3) Reporting materials are not available for external review

Consequences for Violations
- **Internal personnel:**
  - Confiscation of illegal gains + fines
  - Severe cases result in termination of employment or referral to judicial authorities
- **External partners:**
  - Termination of partnership eligibility
  - Bribery offenders are referred to judicial authorities

Data on anti-corruption training	
Data Indicators	2024
Average hours of anti-corruption and anti-bribery training per employee	3
Number of employees who received anti-corruption and anti-bribery training	219

*Note: Statistics are based on data for the year ended 31 December 2024.

Information Security and Privacy Protection

The Group considers information security and privacy protection as one of the most important material issues. We strictly comply with the laws and regulations of the People's Republic of China, including the *Cybersecurity Law, the Data Security Law*, and the *Personal Information Protection Law*. We have established a comprehensive information security management system. We have established and continuously optimized internal protocols, such as the *Information Security Risk Management Procedure*, the *Data Security Protection Management Procedure*, and the *Data Classification and Categorization Management Procedure*. These protocols provide clear guidelines and regulations for activities related to data security, privacy protection, cybersecurity, and contingency handling, ensuring that our business operations comply with regulatory requirements.

Management Assurance

The Group has established a comprehensive information security management architecture and designed an information risk management system integrated with human resource management, to fully protect the information security of our customers and employees. In 2024, the Group encountered no incidents of information leakage. We will continue to uphold a rigorous and responsible attitude and constantly optimize our information security strategies, providing a safer and more reliable business environment for all stakeholders.

The Group's information security management architecture

Information Security Management Team

Core functions:
1. Oversee the Group's information security affairs
2. Organize cross-departmental risk event identification and analysis
3. Directly lead the Risk Assessment Team

Risk Assessment Team
(Members: Personnel from departments with key responsibilities for information security)

Core functions:
1. Develop the *Information Security Risk Assessment Plan*
2. Assign assessment tasks to various departments
3. Compile and submit the *Risk Assessment Report* to higher department

Department A **Department B** ……

Core functions:
They are responsible for identifying the assets used or managed by their department and assessing the risks to which those assets may be exposed. They also handle the specific security controls for assets used or managed by their department.

Information risk management system

Embedding the System Framework

- Incorporate information security requirements into the *Human Resources Management Procedure*
- Newly establish the Information Security Policy
- Implement a supporting reward and penalty mechanism
- ✓ **Discovery reward:** Incentives for reporting information security incidents
- ✕ **Violation penalty:** Graded accountability for non-compliant behavior

Recruitment Risk Control Process Design

- **Preliminary step:** Departments complete the List of Critical Positions for Information Security
- **Specify position requirements:** Confidentiality level, technical competency threshold, professional ethics standards
- **Screening mechanism:** Dual review by HR and hiring department

- **2024 results: 0** information leakage incidents

- **Legal constraint:** All employees sign the Non-Disclosure Agreement
- **Awareness enhancement:** Complete information security training
  - **Training content:** Data classification, system permissions, case studies on breaches

Closed-loop Effectiveness Verification

Onboarding Control Measures

Currently, we hold the international ISO/IEC 27001:2013 Information Security Management System certification, as well as the highest-level information security protection certification in China for non-banking institutions—Level 3 Certification of the Classified Protection of Information System Security. Moreover, we conduct annual audits for ISO/IEC 27001:2013 and the classified protection of information system security to ensure the continuous effectiveness of the Group's information security management system.

The Group's ISO/IEC 27001:2013 Certification and Level 3 Certification for the Classified Protection of Information System Security

Information Security Audit Data			
Data Indicators	2022	2023	2024
Number of information security audits	4	4	4
Percentage of business scope covered by information security management system certification (%)	100	100	100

*Note: Statistics are based on data for each of the year ended 31 December.

Cybersecurity

The Group has implemented the Network Equipment Security Configuration Management Procedure, a detailed guide covering cybersecurity aspects such as network access permissions, internet usage guidelines, and firewall configurations. This document is designed to ensure that our employees can connect devices and conduct online activities safely. Managing all key network devices within the organization falls under the responsibility of the Innovation Center. Additionally, we routinely back up the configurations for all of the Group's network devices, ensuring they are promptly updated after any modifications. This enables us to swiftly recover our business operations using the configuration backups in the event of network device malfunctions.

To further identify and prevent potential cybersecurity risks, the Group conducts penetration tests on a regular basis to thoroughly assess the network defense capabilities of our products. This ensures the effectiveness and stability of security mechanisms. The test is conducted at least once a year. It covers the Group's major products, including critical components in areas such as physical security environments, security communication networks, security perimeter boundaries, security computing environments, and security management centers within the field intelligence ecosystem. The scope of the testing encompasses core security functions such as access control, boundary protection, intrusion prevention, malicious code defense, and operations and maintenance auditing. Also, it aligns with the information security management system to carry out a holistic assessment across various dimensions such as management policies, internal audits, system development, data backup, and emergency response plans. Through penetration tests, we identify potential security vulnerabilities and take remedial measures in real time to continually improve the overall security of the network system, thereby ensuring the stability and reliability of business operations.

Moreover, to enhance the overall team competence to handle cybersecurity incidents, the Group has continuously implemented a cybersecurity training program. We have established the Network Information Security Emergency Response Management Procedure and formed an Emergency Command Leadership Team. This team is on call for emergency handling, providing technical support, and coordinating response efforts. Through these measures, we can establish a complete response cycle, covering preparation, active response, and post-incident assessment, all aimed at minimizing the impact of the incident.

Network information security emergency response mechanism

Proactive Prevention

- Equipment Inspections (power, network, servers)
- Network performance monitoring
- Dedicated database oversight

Incident Response

- Incident classification
- Emergency Command Team intervention
- Resolution within 24 hours in principle

Post-incident Review

- Network and information system reconstruction
- Incidents review and improvement

Case **Conducting Cybersecurity Training for All Employees to Strengthen Risk Prevention Capabilities**

To elevate employees' cybersecurity awareness and deepen their understanding of information protection and potential risks, the Group organized a specialized training program during the Reporting Period. This program provided comprehensive education on essential cybersecurity principles, prevalent corporate cybersecurity threats and mitigation strategies, as well as the evolution of pertinent laws and regulations and compliance mandates. The initiative equips employees with the knowledge to identify risks and implement suitable countermeasures in their routine operations.

The one-hour training was delivered through a combination of online and offline methods to maximize employee participation. Additionally, the training materials has been made accessible on the OA (Office Automation) platform for employees to revisit anytime, along with handouts to help with review and understanding.

Cybersecurity training

Data Security

The Group has continuously improved internal regulations to ensure the security and compliance of data in the process of storage, processing, transmission, and usage. To further fortify the data management system, we have added the Information Security Policy in 2024, complementing the existing Data Security Protection Management Procedure. The new policy provides clear regulations for data processing and storage, password and account management, external device usage, data backup, and incident reporting. It further refines information security management procedures, responsibilities, and obligations, thereby enhancing overall data security and protection capabilities.

In terms of internal data management, we enforce a strict "segregation of duties" principle to keep data management and operational controls separate, preventing unauthorized changes and misuses. For scenarios where full segregation of duties cannot be achieved, we have established auditing, tracking and supervision mechanisms to keep data processing transparent and under control. Regarding information transmission channels such as email, social media, and removable storage devices, we have developed clear usage guidelines to prevent data leakage risks caused by improper handling. Additionally, through regular data backups and physical security management measures, we further enhance the stability and security of data storage.

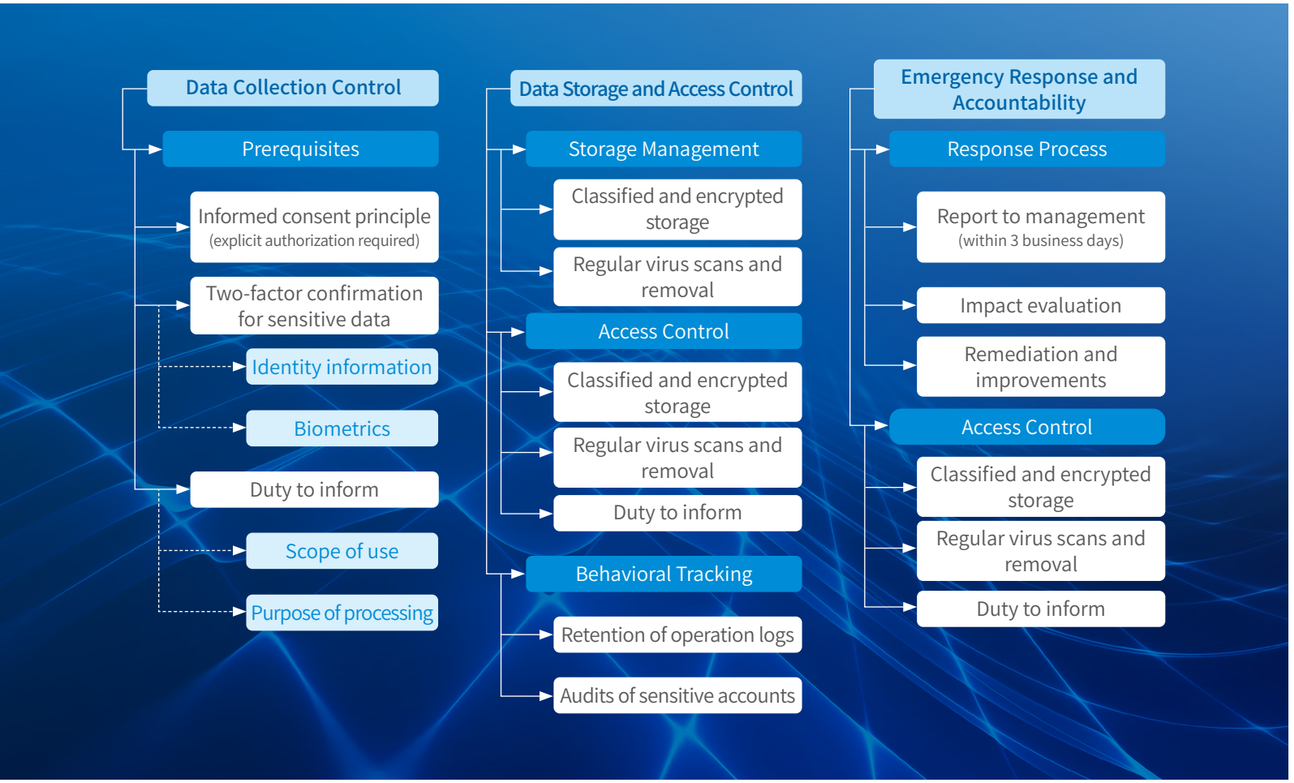
When collaborating with external partners such as contractors and service providers, the Group requires them to sign the Data Protection Compliance Commitment Agreement. This document explicitly outlines the scope, intended use, and access rights for data, while strictly adhering to the 'principle of data minimization' to restrict data usage to essential purposes only. Moreover, for collaborations involving data sharing, we sign a Data Sharing and Protection Compliance Agreement with relevant parties, prohibiting unauthorized data transfer to third parties. We also set up a data security risk monitoring and response mechanism to enable timely remedial measures to be taken in the event of risks, thereby preventing the leakage of data and the occurrence of other security incidents.

Privacy and Security

The Group always regards privacy protection as an important responsibility and strictly adheres to the *Personal Information Protection Law of the People's Republic of China*. We uphold core principles such as explicit purposes, openness, transparency, security support, informed consent, and accountable practices, ensuring that the personal information of consumers, partners, and employees is properly protected during collection, storage, usage, and sharing. We have continually optimized our privacy management system, implemented differentiated protection mechanisms, and strengthened access control for sensitive information. These efforts aim to minimize the risk of privacy leakage and improper use of personal information.

Within the Group, the Innovation Center takes the lead in managing the protection of user information. We regularly conduct specialized risk assessments and audits for information security to identify potential threats and vulnerabilities to user information security. To address unforeseen incidents such as leakage, loss, damage, alteration, and improper use that may occur during the processing of user personal information, we have developed emergency response plans. In our daily management, we strictly implement the User Personal Information Protection Management Procedure, ensuring full-process control over the collection, storage, access, and usage of all personal information.

Management Policy for Protecting User Personal Information



Additionally, to enhance employees' expertise in privacy protection, we have adopted a tiered training policy to ensure that employees in different roles can accurately understand compliance requirements. All new employees and business personnel involved in handling user information must undergo specialized training and pass an assessment test before officially taking up their posts. The training covers regulations on the collection, storage, and access of personal information, as well as the confidentiality requirements. Moreover, participants are required to sign a confidentiality agreement to strengthen their privacy awareness. For confidentiality-related positions, we enforce stricter information security protocols and offer regular compliance education and technical training. These initiatives ensure ongoing improvement in privacy management, bolstering the security of user information.

In 2024, we upgraded our personal information protection measures and enhanced the security and accuracy of user identity authentication. For touchpoint authentication process, we implemented dual verification using selfies and liveness detection, along with international-standard identity authentication technology, to guarantee the authenticity of user identities and enhance information security. During implementation, we noticed that some users mistakenly uploaded photos like their driver's licenses or ID cards as part of the selfie authentication process. To prevent unnecessary disclosure of sensitive information, we proactively optimized identification rules, and used system prompts along with manual checks to guide users through compliant authentication. Users who did not meet the requirements were required to undergo forced re-authentication, thereby minimizing privacy risks caused by improper operations at the source.

Intellectual Property Management

The Group respects the benefits of labor of all parties and strictly protects intellectual property rights. To prevent infringing behaviors and enhance our market competitiveness, we have established the *Intellectual Property Management Procedure* in compliance with fundamental laws such as the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*. This document encompasses patents, trademarks, computer software copyrights, trade secrets and other main areas. It is outlined in a clear flowchart that details the process of applying for intellectual property rights, retrieving relevant information, transferring licenses, and resolving disputes. Additionally, as a technology-driven company, we have crafted the Software Development Management Procedure to standardize the development of in-house software and the management of outsourced software. Through consistent efforts, we have created a complete system to protect the intellectual property.

To ensure the smooth implementation of intellectual property management efforts, the HR Administration Department is dedicated to managing intellectual property rights. All other departments coordinate with the HR Administration Department to collect and report on their respective intellectual property information. All departments must collaborate to ensure the seamless and effective execution of each step in intellectual property management. Moreover, we continually enhance our internal management and control to safeguard our intellectual property rights while avoiding infringement on the intellectual property rights of others.

Intellectual Property Management Data

Data Indicators	2022	2023	2024
Number of trademark and text registrations held	26	23	21
Number of domain names held	44	44	44
Number of software copyrights held	75	85	98

*Note: Statistics are based on data as of 31 December of each year ended.

03 Partners

Collaborating to Explore New Frontiers of Sustainable Development

Driven by globalization and technological innovation, corporate development increasingly relies on robust and resilient supply chains and industry collaboration. Steadfastly upholding the highest standards of business ethics, Plus collaborates with partners who prioritize environmental protection and social responsibility to jointly explore new frontiers of sustainable development. We constantly enhance our supply chain management model, deepen collaboration with suppliers and industry peers, and strive for mutual value creation across the entire value chain. This effort aims to collaboratively establish an innovative, co-built, and shared ecosystem for sustainable development.

A RESPONSIBLE SUPPLY CHAIN 33

INDUSTRY COLLABORATION 37

A Responsible Supply Chain

Amidst profound transformations in global industrial chains, building a supply chain system that combines resilience, efficiency, and ethical values has become a core proposition for the sustainable development of enterprises. The Group continuously refines its supplier evaluation and audit mechanisms, striving to ensure that all partners meet our high standards in environmental, social, and governance (ESG) aspects.

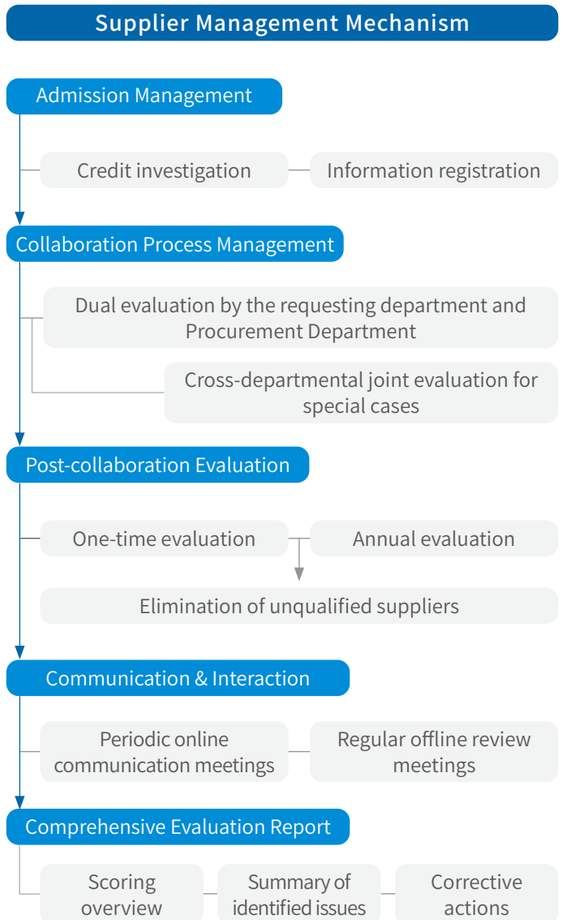
Supplier Management

The Group places high importance on supplier management, striving to build an efficient, transparent, and sustainable supply chain system. Guided by the Supplier Management Policy, we comprehensively standardize the supplier management process, covering supplier admission, collaboration management, post-collaboration evaluation and communication, to ensure the stability and sustainability of the supply chain.

When selecting suppliers, we consider various factors, including service and product quality, timely delivery, contract fulfillment capabilities, and pricing competitiveness to select the best suppliers. Additionally, we conduct regular supplier evaluations, keeping qualified ones in our approved registry and removing those who fail to meet standards for two consecutive years, to ensure a high-quality supplier base. During the Reporting Period, we further achieved cost reduction and efficiency improvement in the supply chain through a flexible project-based ordering model.

We actively engage with our suppliers through a combination of online and offline meetings to review the work accomplished, learn from past experience, and seek mutual improvement, fostering open communication for future collaborations. Annually, we prepare comprehensive supplier evaluation reports to ensure the timeliness and transparency of supplier information updates.

The Group's supplier management mechanism



The Group's supplier annual comprehensive evaluation mechanism

01 Evaluation Scope

Mandatory evaluation: The Group's annual suppliers (100% coverage), outsourcing suppliers (100% coverage)
Sampling evaluation: Single-project suppliers (random selection)

02 Evaluation Entities

The Procurement Department, Business Units

03 Evaluation Process

Data collection → Multi-dimensional scoring → Data audit → Result classification → Corrective action tracking

Scoring dimensions: Compliance, delivery capability, responsiveness, risk management, environmental protection & social responsibility, etc.
Grading standards: Excellent: ⩾ 90 points, qualified: 80-89 points, unqualified: <80 points
Dynamic control: Warning threshold: 85 points, qualification threshold: 80 points

04 Handling of Unqualified Suppliers

Suppliers performing below the warning threshold will receive a warning, while those below the qualification threshold will have their cooperation suspended and be given a deadline for rectification

Supplier Management Data

Data Indicators		2022	2023	2024
Total number of suppliers		1,661	2,098	2,691
Number of suppliers by region	The Chinese mainland	1,648	2,050	2,649
	Hong Kong, Macao, Taiwan, and overseas countries	13	48	42
Total number of new suppliers		228	437	593

*Note: Statistics are based on data for each of the year ended 31 December.

Management of Social and Environmental Risks in the Supply Chain

The Group continues to deepen social and environmental risk management in its supply chain, comprehensively integrating ESG principles into the full lifecycle management system of suppliers. In the assessment of new suppliers and the annual evaluation of existing ones, social responsibility and environmental protection are key scoring criteria. Specific indicators include awareness of social responsibility, fulfillment of social responsibility, awareness of environmental protection, environmental protection initiatives, and environmental pollution. Priority is given to suppliers who are environmentally friendly and aware of social responsibility.

To ensure the authenticity and continuity of suppliers' ESG performance, we have established an unannounced spot checks verification mechanism. This involves conducting unannounced on-site inspections of our suppliers to ensure their compliance with legal requirements in staff hiring. We also assess the fairness of their working hours and their commitment to employee health and safety. Additionally, we verify their adherence to environmental standards in the factory environment. At the end of the inspection, we complete an evaluation form, which is instrumental in shaping our decisions regarding potential future collaborations.

Field investigation of suppliers' social and environmental indicators

Child Labor Policy

- Does the factory set a minimum hiring age of 16 or older?
- Is there a robust system in place to verify workers' ages?
- …

Employment Practices

- Does the factory refrain from using forced or bonded labor?
- Are workers protected from physical punishment, assault, as well as verbal or psychological harassment, intimidation, and humiliation?
- …

Working Hours and Compensation

- Are regular working days and hours clearly defined at the factory?
- Does the factory's overtime pay meet local legal requirements?
- …

Health and Safety Standards

- Are chemicals properly labeled in the factory?
- Are workers trained in the safe handling of hazardous substances?
- Are first aid kits and medications easily accessible in workshops and dormitories?
- …

Fire Safety Measures

- Does the factory conduct regular inspections of firefighting equipment?
- Are designated smoking areas established within the factory?
- Does the factory carry out regular fire drills?
- …

Environmental Compliance

- Does the factory operate in accordance with local environmental regulations?
- Are there reports on inspections and environmental assessments?
- Is the factory appropriately managing the collection, storage, and disposal of hazardous waste?
- …

In terms of supplier social responsibility management, we are committed to enhancing the fairness and transparency of procurement to build a transparent supply chain. We have established the *General Rules for Procurement Management* and the *Material Procurement and Payment Management Policy*. We have also implemented a mechanism that includes the separation of duties across five distinct roles. Furthermore, we have established a robust system to monitor and inspect our procurement activities. This system clearly delineates the responsibilities and authority of our inspection personnel, who undergo regular examinations conducted by the Internal Control Department. In our procurement contracts, we go the extra mile by having suppliers sign the *Integrity Agreement Against Commercial Bribery* to guarantee ethical and disciplined business conduct by both parties. Additionally, the Procurement Department proactively sends out anti-corruption campaign emails to suppliers before major holiday to raise their awareness of corruption prevention.

In terms of environmental risk management, we require our suppliers to endorse the *Environmental Protection Agreement* to ensure that the products and services they provide comply with relevant environmental laws and regulations at the national, provincial, and municipal levels. Suppliers are also expected to establish a regular system for assessing and controlling environmental impact, driving continuous improvement in their environmental management practices. Moreover, we conduct periodic and unannounced inspections of suppliers' environmental efforts every year. Suppliers must promptly address any non-compliance issues until they meet the required standards. Failure to do so may result in the termination of the partnership at the discretion of the Group.

During the Reporting Period, the Group secured agreements on anti-corruption, social responsibility, and environmental protection from approximately 460 new suppliers. As of 31 December 2024, a total of 634 suppliers have signed the relevant agreements. We will continue to drive the improvement of agreement coverage rates, further strengthening the sustainable management of our supply chain.

Data on Management of Suppliers' Social and Environmental Risks

Data Indicators	2022	2023	2024
Number of suppliers with identified and potential serious negative social impacts	0	0	0
Number of suppliers with identified and potential serious negative environmental impacts	0	0	0
Percentage of procurement officers internally trained in sustainable procurement (%)	100	100	100

*Note: Statistics are based on data for each of the year ended 31 December.

Industry Collaboration

The Group is committed to sharing values. While driving our own development, we actively participate in industry research and collaboration, promoting the further advancement of digital transformation. Through industry forums, research projects, and industry-university-research collaboration, we continuously explore technological innovation and share practical experiences to contribute to the overall development of the industry.

Since 2022, we have collaborated for three consecutive years with leadleo.com to publish the *China Offline Digital Marketing White Paper*. Based on questionnaire surveys, interviews, expert discussions, and literature research, we analyze the current state, opportunities and challenges of the offline digital marketing in China, and reveal its future development trends. In 2023, we continued to deepen industry-university-research collaboration. We established the AI Digital Marketing Joint Lab in collaboration with the Dalian University of Technology, aiming to advance the innovative application of artificial intelligence in the retail sales industry. This in-depth collaboration achieves a win-win situation for both the university and the enterprise, meeting the practical needs of the enterprise and the industry while injecting new vitality into the college's discipline development, system reforms, and talent cultivation. This effort significantly contributes to advancing the college's growth towards a higher level and fosters the development of outstanding talents, thereby promoting innovative growth within the industry.

In 2024, the AI Digital Marketing Joint Lab achieved two key technological breakthroughs: the Field Terminal AI Normalization Algorithm and the Generative AI Associated Recommendation Algorithm. These two technological advancements are designed not only to boost corporate operational efficiency but also to deliver smarter sales solutions across the industry, thereby driving the digital transformation of the retail sector. In the future, we will continue to enhance our cooperation with research institutions and further expand the application of AI in the field of retail sales, contributing to the high-quality development of the industry.

AI Digital Marketing Joint Lab industry-university-research achievements

Field Terminal AI Normalization Algorithm

Function and Logic

Background

In the fast-moving consumer goods (FMCG) sector, varying data formats and naming conventions among brands and dealers make it difficult to integrate and utilize the data. Traditional manual processing is inefficient and costly.

Solution

By leveraging AI technologies (including natural language processing and deep neural networks), the terminal data (such as names, addresses) from brands and dealers are collated, standardized, and matched. The collated data is then stored in a unified database and continuously updated, ensuring that these field terminals have detailed and accurate digital descriptions.

Significance and Application

Provide value to FMCG brands and dealers

Sales terminals (e.g., stores) can be located faster and more accurately, and it is possible to identify regions or stores that have market gaps, aiding in smart decision-making

Accumulate data assets

A unified terminal information database is built to support intelligent decision-making in the future.

Generative AI-Based Recommendation Algorithm

Function and Logic

Background

In the retail field, to deliver a great consumer experience, it is required to align consumer needs, product features and engagement methods, as well as to summarize data from every sale and promotion activity. However, manual data summarization is inefficient and poses challenges for large-scale applications.

Solution

By leveraging generative AI technologies (such as ChatGPT), consumer feedback, sales outcomes, and other data are analyzed and summarized. This enables the integration of consumer experience with product selling points, uncovering relationships between products (e.g., which products are frequently purchased together). Based on the regional characteristics of consumers, dynamic recommendations for promotions and product experience are made, automatically generating highly targeted marketing plans.

Significance and Application

Provide value to FMCG brands and dealers

Personalized promotion plans are automatically generated, making consumer experiences more precise. Sales conversion rates are increased through data analysis and recommendation strategies.

Accumulate data assets

The technical groundwork is laid for offline retailers to enable data-driven precision marketing.

04 Clients

Innovating Digital and Intelligent Services Experience

Plus, with digital intelligence technology at its core, continuously refines the service system to ensure that customer rights and interests are robustly protected. Leveraging our professional marketing personnel and precise data analysis, we enhance the efficiency and quality of client services, assisting clients in optimizing their business decisions. While continuously expanding digital application scenarios, we collaborate with clients to explore new models of intelligent services, co-creating efficient and sustainable business value.

SAFEGUARDING CLIENT RIGHTS AND INTERESTS 41

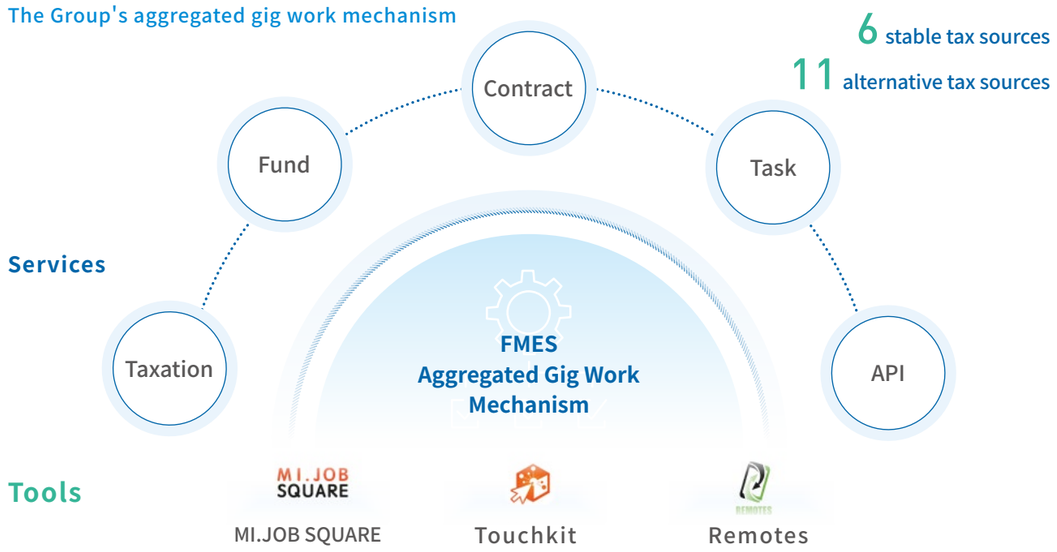
CREATING AN INTELLIGENT SERVICE ECOSYSTEM 43

Safeguarding Client Rights and Interests

The Group is committed to building a comprehensive client service system to ensure that both consumers and corporate clients receive high-quality, compliant, and stable service experiences. We have established the *Continuous Improvement Control Procedure* to ensure effective identification, analysis, and correction of issues that may impact customer experiences. This procedure encompasses multiple monitoring channels, including internal and external audits, risk assessments, and customer feedback. Led by the leader of the system management team, various departments are organized to formulate and implement corrective measures to ensure fundamental resolution of issues. All corrective measures must be approved by the management and verified after implementation to ensure the results meet standard requirements, thereby truly enhancing the customer experience.

To enhance the professional capabilities of our operations team, we provide ongoing training for our marketing personnel to help elevate their customer service skills. Additionally, we hold weekly business sharing sessions to facilitate experience exchange and learning from excellent cases, thereby enhancing the overall service quality of the team. We also emphasize ethical business practices, ensuring that marketing personnel accurately convey product information, uphold consumers' right to information, and maintain their trust in products and purchasing experiences.

Furthermore, we enhance the stability and compliance of gig services through an aggregated gig work mechanism. Given that the tasks of marketing personnel vary with projects, we have integrated 6 stable and 11 alternative tax jurisdictions to ensure that service fees can be smoothly disbursed and tax filings completed even amidst adjustments in tax policies. This approach reduces the employment risks for corporate clients, ensuring both the continuity and compliance of services.



Creating an Intelligent Service Ecosystem

Plus is committed to driving digital innovation and building an intelligent service ecosystem that empowers clients with more efficient and precise marketing solutions. By continuously optimizing digital tools and technology applications, we expand our service offerings and enhance retail execution efficiency, helping clients achieve data-driven business growth.

The Group's business model

Matching Precision Marketing and Upgrading Digital Tools

Since the launch of the Touchkit digital tool in 2019, we have continuously enhanced the intelligent matching capabilities of tasks and marketing personnel. By analyzing historical performance, strengths, and industry characteristics, we improve the precision and stability of marketing task execution, enabling clients to achieve more sustainable business returns. In 2020, we introduced the SaaS+ subscription service, providing tailored access to pre-built digital tools on a subscription basis. This simplifies our clients' sales and marketing processes, manages their offline retail networks, and aids in making informed, data-driven decisions.

Location Management System + Perfect Store: Data-Driven Retail Optimization Solution

To further enhance the marketing efficiency of retailers, we independently developed and launched the Location Management System and Perfect Store solutions in 2024. Through technological innovation and precise data analysis, these solutions help clients navigate changes in the retail environment and drive intelligence upgrades within the industry.

The Location Management System integrates retailers' promotional plans, execution status, sales results, and consumer feedback into a single platform, offering detailed SKU sales conversion analysis. This system not only helps clients manage large-scale terminal sales and marketing activities but also seamlessly integrates with other internal management systems (such as marketing management, finance, or employee management systems), creating unified data labels to enhance corporate decision-making efficiency. In addition, Plus provides clients with system management, data maintenance, and operational training to ensure the continuous enhancement of their digital capabilities.

The Perfect Store solution is based on LBS (Location-Based Services) grid technology, helping retailers improve product distribution efficiency and terminal sales capabilities. We have developed the Smart Perfect Supply Compass（智能完美供给罗盘）, which accurately identifies business opportunities from the perspectives of brands and categories, offering sales performance and distribution strategy recommendations based on different store types. For example, for categories with high sales but low coverage, the system guides clients to prioritize expanding distribution channels, while for stores with low sales but high coverage, it provides solutions to enhance core sales metrics. Furthermore, this solution enhances store execution for brands through data visualization, intelligent task distribution, and a shared sales promoter mechanism, creating a closed-loop marketing system.

05 Employees

Fostering a Happy Workplace Ecosystem

Employees are the most valuable asset of the enterprise. The Group is committed to creating a safe, inclusive, and vibrant work environment where every employee can work comfortably and attain sustained development. In addition to offering fair and diverse employment opportunities, we have established a comprehensive training system to support employees' career development. Furthermore, we adhere to occupational safety and health standards and actively promote care programs to foster a humanized corporate culture. We believe that when employees are fully supported and respected, the enterprise can thrive with long-term vitality, working hand in hand with employees to create a brighter future.

EMPLOYMENT OF STAFF 47

TRAINING AND DEVELOPMENT 52

SAFETY AND HEALTH 58

A CARING WORKING ENVIRONMENT 58

Employment of Staff

We advocate for lawful and compliant, equal and voluntary employment policies, strictly complying with the laws and regulations, including the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, and the *Law on the Protection of Women's Rights and Interests of the People's Republic of China, as well as other relevant rules*. We have also developed human resources management policies such as the Employee Handbook and the Project Personnel Management Policy, to safeguard employee rights.

Recruitment and Hiring

To ensure equal employment rights of employees, the Group has formulated an *Anti-Discrimination Policy*. This policy clearly prohibits any explicit or implicit discriminatory hiring criteria, including but not limited to factors such as region, place of birth, gender, and marital status. We are dedicated to offering equal employment opportunities and ensuring fair and equitable treatment for all employees. Women shall not be denied employment based on their gender, except in cases where specific job roles are deemed unsuitable for them according to state regulations. Additionally, no higher hiring standards shall be imposed on women solely because of their gender. We implement equal pay for equal work, ensuring that women enjoy the same rights as men in terms of compensation and benefits. Furthermore, the Group actively assumes social responsibilities by safeguarding the equal employment rights of individuals with disabilities. We adhere to the principles of matching people to positions based on their abilities and selecting the best candidates. For the year ended 31 December 2024, the Group had employed 28 individuals with disabilities.

To regulate the employee recruitment, employment, and management of the Group, we have established a series of policies, including the *Human Resources Procedures*, the *Third-Party Personnel Recruitment Policy*, and the *Termination Compensation Payment Standards*. These policies standardize the recruitment processes and operational guidelines for permanent staff, third-party personnel, interns, and other personnel within the Group. They are designed to effectively protect the legitimate rights and interests of all involved parties, while also safeguarding the interests of the Group. During the Reporting Period, we also updated and revised the *Employee Handbook*, refining employment norms and management processes. This helped employees better understand the Company's expectations and requirements, providing clear and effective guidance for their daily work.

Group Employment Policies

Core Policies

Human Resources Management Procedure
Employee Handbook
- Standardized recruitment, onboarding, and training processes
- Compliance with labor management regulations

Third-Party Personnel Management

Third-Party Personnel Recruitment Policy
- Defines principles and procedures for third-party personnel recruitment

Project Personnel Management System
- Standardizes hiring conditions for contractors and suppliers
- Ensures benefits such as social security contributions

Recruitment, Employment, and Labor Management Policies

Intern Management

Intern Employment Management Regulations
- Define the criteria for intern hiring and conversion to full-time roles
- Safeguard interns' rights and interests

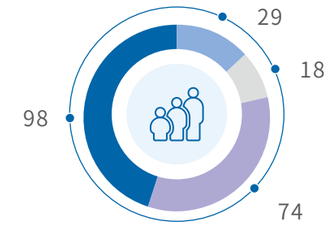
Dismissal Management

Termination Compensation Payment Standards
- Defines the severance payment process
- Ensures legal rights of terminated employees

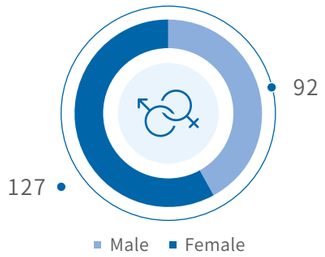
The Group's internal employee structure data (as of 31 December 2024)

As at 31 December 2024, the Group had **219** staff members.[Note]

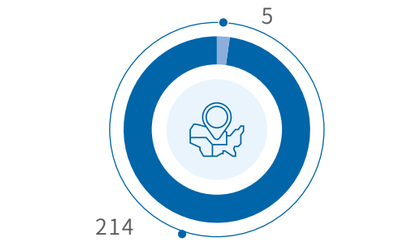
Age Distribution (Group-wide workforce data)



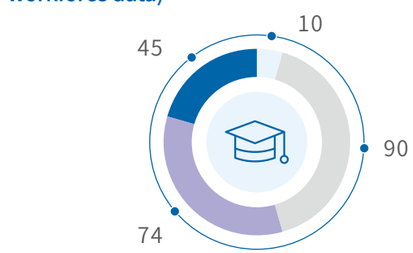
Gender Distribution (Group-wide workforce data)



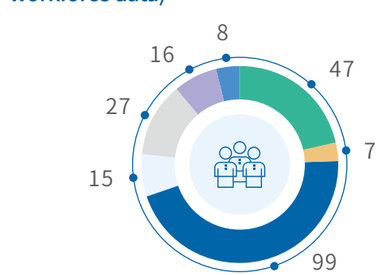
Distribution of Employees by Region (Group-wide workforce data)



Distribution of Education Levels (Group-wide workforce data)



Distribution of Education Levels (Group-wide workforce data)



*Note: The employee data listed in this report reflects statistics for the original business scope of Plus Group only and does not include data from the joint ventures established during the reporting period: Puluote (Shanghai) Digital Technology Co., Ltd., Shanghai Subide Technology Co., Ltd., Shanghai Suditong Information Technology Co., Ltd., Shanghai Rongxi Yunpin Talent Technology Co., Ltd.. Data from these joint ventures is excluded from this disclosure as their statistical cycles are not yet complete. Unless stated otherwise, figures below are based on the numbers of original staff within the Plus Group.

Employee Structure Data (Group-wide workforce data)			
Data Indicators	2022	2023	2024
Employment contract signing ratio (%)	100	100	100
Total number of employees	243	232	219
By Gender			
Number of male employees	89	85	92
Number of female employees	154	147	127
By Employment Type			
Number of employees under labor contracts with the Group	243	232	205
Number of other types of employees who have not signed labor contracts directly with the Group, such as dispatched and outsourced staff	0	0	14
By Age			
Number of employees aged 51 and above	4	9	18
Number of employees aged 41 to 50	62	75	74
Number of employees aged 31 to 40	135	116	98
Number of employees aged 30 and below	42	32	29
By Region			
Number of employees based in the Chinese mainland	243	228	214
Number of employees based outside the Chinese mainland	0	4	5
By Education Level			
Number of master's degree holders	9	9	10
Number of bachelor's degree holders	108	105	90
Number of junior college degree holders	97	82	74
Number of employees with a degree lower than a junior college degree	29	36	45
By Employee Rank			
Total number of frontline staff	178	168	165
Total number of middle management staff	59	58	48
- Number of female staff	31	29	26
Total number of senior management staff	6	6	6
- Number of female staff	1	1	1
By Employee Category			
Number of headquarters and management staff trained	7	7	7
Number of business and development staff trained	108	97	99
Number of on-site management staff trained	14	12	15
Number of R&D staff trained	50	45	27
Number of finance staff trained	22	20	16
Number of HR staff trained	19	20	8
Number of administrative and other staff trained	16	24	47

*Note 1: Statistics are based on data for each of the year ended 31 December.
*Note 2: The employee data presented above reflects statistics for the original business scope of Plus Group only and does not include data from the joint ventures established during the reporting period: Puluote (Shanghai) Digital Technology Co., Ltd., Shanghai Subide Technology Co., Ltd., Shanghai Suditong Information Technology Co., Ltd., Shanghai Rongxi Yunpin Talent Technology Co., Ltd.. Data from these joint ventures is excluded from this disclosure as their statistical cycles are not yet complete.

Employee Turnover Data (Group-wide workforce data)			
Data Indicators	2022	2023	2024
Total number of departed employees	89	39	87
Employee turnover rate (%)	34	16	36
By Gender			
Number of male employees departed	25	16	30
Number of female employees departed	64	23	57
By Age			
Number of employees aged 51 and above	2	0	4
Number of employees aged 41 to 50	9	6	17
Number of employees aged 31 to 40	39	19	27
Number of employees aged 30 and below	39	14	39
By Region			
Number of employee departures in the Chinese mainland	89	39	86
Number of employee departures outside the Chinese mainland	0	0	1

*Note 1: Statistics are based on data for each of the year ended 31 December.
*Note 2: The employee data presented above reflects statistics for the original business scope of Plus Group only and does not include data from the joint ventures established during the reporting period: Puluote (Shanghai) Digital Technology Co., Ltd., Shanghai Subide Technology Co., Ltd., Shanghai Suditong Information Technology Co., Ltd., Shanghai Rongxi Yunpin Talent Technology Co., Ltd.. Data from these joint ventures is excluded from this disclosure as their statistical cycles are not yet complete.

Working Hours and Leave Policy

The Group has implemented the *Attendance Management Policy* in strict accordance with the *Labor Law of the People's Republic of China* to safeguard employees' legal rights, including reasonable working hours and leave entitlements. This system clearly stipulates that employees work from Monday to Friday each week (except for part-time employees or those with special agreements), with an 8-hour workday. Additionally, fingerprint recognition and employee ID card swiping are used to keep track of staff attendance and maintain standardized working hours. We prevent any form of forced labor and encourage employees to strike a balance between work and personal life while ensuring progress and quality of their work. In cases where overtime is necessary due to work demands, we provide compensatory time off and reimburse employees for overtime transportation expenses in accordance with relevant regulations.

Furthermore, our *Attendance Management Policy* clearly outlines the various types of leave available to employees and the procedures for requesting leave. Employees are entitled to national statutory holidays, marriage leave, bereavement leave, maternity leave, annual leave, breastfeeding leave, parental leave and sick leave in accordance with the law. We also specify that employees who have completed 5 years of service are eligible for annual leave with the duration increasing each year based on their total years of service, in appreciation of their long-term contributions. In addition to these policies, we schedule a welfare family day before the Spring Festival holiday, providing an extra day off to facilitate travel and family reunions.

Compensation and Benefits

The Group continuously improves our incentive-driven compensation structure, aiming to enhance employee enthusiasm and innovation through scientific and fair compensation management. Therefore, we established a *Compensation Management Policy* and a *Performance Appraisal Policy*, ensuring that employee salaries are tied to company performance, individual achievements and capabilities. The total compensation package encompasses a diverse range of items such as a basic salary, a position allowance, an allowance for maintaining confidentiality, performance pay, equity incentives, and other benefits. The aim is to maximize the incentive of compensation and foster employee growth.

In terms of performance management, we implement performance appraisals for all employees. Based on the specific assessment criteria for different roles, employee performance is reviewed monthly or quarterly, and the performance-based compensation is disbursed accordingly. In terms of salary adjustments, the Group conducts annual performance evaluations and salary reviews in the first quarter of each year, based on employees' work performance from the previous year and the overall business performance of the Company. Based on the annual evaluation results, salary adjustments for outstanding employees are implemented in the second quarter of each year.

The Group's compensation management system

To enhance employees' sense of belonging and loyalty, the Group has specified various benefits in our Employee Handbook. The Group strictly complies with national and local laws and regulations, making full contributions to social insurance premiums and housing provident fund for our employees. We also provide additional commercial medical insurance for some employees based on their job roles. Beyond mandatory benefits, we offer diverse corporate benefits, such as wedding and funeral support, holiday gifts, regular health check-ups, and birthday benefits.

Training and Development

The Group is committed to providing employees with structured training and incentive system to support talent growth and career development. By continually refining training system, we enhance employees' professional skills and comprehensive competencies, building a high-caliber, practice-oriented talent team to meet the Company's business development needs.

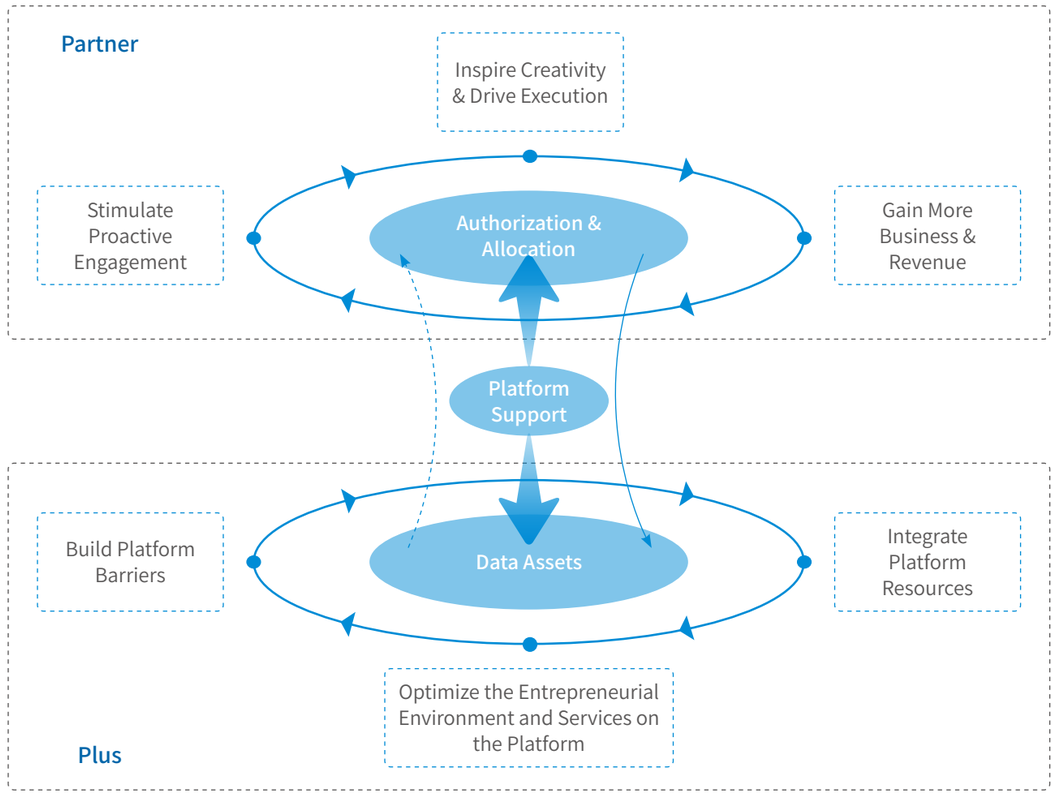
Employee Incentives

To unlock employees' potential and enhance organizational efficiency, the Group has established a fair, equitable, and transparent incentive system to recognize employees' contributions in business development, organizational optimization, and corporate culture building.

During the Reporting Period, we developed and refined the Reward and Penalty Policy, introducing a six-tier incentive system to encourage employees to actively safeguard corporate interests and drive organizational improvements. For instance, employees who propose effective management enhancements, report significant risk behaviors, or protect the Company's core interests are rewarded with salary bonuses. Concurrently, violations of the Company policies or actions detrimental to corporate interests are subject to reasonable disciplinary measures, fostering a fair and impartial working environment. The HR Department oversees the implementation and supervision of this system.

In terms of tangible incentives, we have implemented a multi-dimensional performance incentive system based on employees' individual business performance. This includes annual target bonuses, project bonuses, and new client acquisition rewards, ensuring employees' efforts are fairly rewarded. To further strengthen employees' long-term sense of belonging and alignment with the Company, we launched a share award scheme in 2023. This initiative provides employees, directors, and senior management with the opportunity to have a stake in the Group, recognizing their contributions while attracting, motivating, and retaining top talents. In 2024, we launched the "Internal Partner Mechanism" to encourage employees to form partnership teams. This initiative allows them to exercise greater autonomy using the company's existing resources and platforms, explore new management and business models, and participate in the distribution of business profits. We will empower team members in areas such as business development and decision-making, unlocking their potential and driving business innovation and value growth for the Group.

The Group's internal partner mechanism



The platform support	The core authorization of partners	The data assets to be retained
· Financial system/project-specific financial system · IT system · Human resources services · Procurement system · Compliance system	· The power to appoint and manage team members · The power to manage and make decisions regarding partner business · The right to distribute partnership profits	· Data related to site, staff, goods, and people · Task and matching data · Acceptance and evaluation data

In terms of intangible incentives, we conduct annual Outstanding Employee and Outstanding Team selection campaigns to set up benchmarks and inspire employees to learn from the excellent examples. Award recipients receive certificates of honor and personalized thank-you letters, while their exemplary practices are showcased internally to promote positive motivation and cultural continuity.

The Group's employee incentive system

Multi-Dimensional Incentive Mechanism

Reward and Penalty Mechanism

Contributions to company management and interests → **Reward**: Praise » Commendation » Recognition

Misconduct or actions that harm company interests → **Penalty**: Warning » Demerit recording » Discipline

Business Bonuses

Annual bonus: Settled based on annual target achievement and distributed at year-end.
Project bonus: Disbursed upon successful completion of project.
Special incentives: Designed to drive business growth, including rewards for new subscription projects, incremental business growth, and new client acquisition.

Intangible Incentives

Annual Outstanding Employee award
Outstanding Team selection campaigns

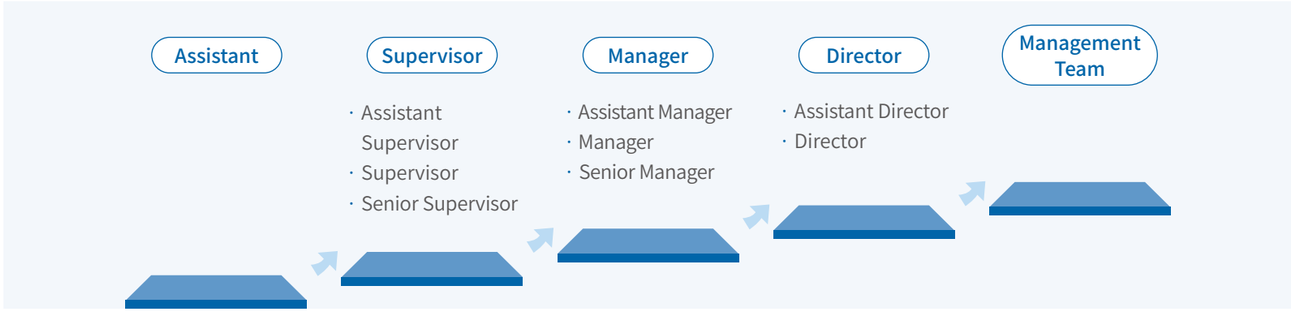
→ Recipients will be presented with honorary certificates and thank-you letters, and their exemplary work experiences will be shared across the Company.

Career Development

The Group continuously refines its talent development system to ensure employees have clear paths for career development and access to diverse growth opportunities. The HR Department is responsible for coordinating employee promotions and internal transfers, while guiding employees to create personalized career plans for optimal talent allocation and value maximization.

Key aspects of career development, including promotion and transfer criteria, standards, and procedures, are outlined in the *Human Resources Management Procedure and Employee Handbook* to ensure a transparent and fair career progression process. Additionally, the Group prioritizes internal talent development by encouraging employees to enhance their versatility through cross-departmental rotations and participation in special projects. We also offer multi-tiered learning resources, including management training and professional skills development, to help employees expand their career prospects.

Employee career development path



In talent selection, the Group evaluates employees' comprehensive performance through regular performance review meetings to refine the promotion system. These reviews adhere to the principles of fairness, impartiality, and transparency, ensuring a professional and authoritative evaluation process. Management directly participates in the performance review for senior-level positions, while promotions for other positions incorporate departmental internal review mechanisms, ensuring that employees at all levels have access to reasonable career development opportunities.

Evaluation Mechanism

- 4 Performance Review Meetings Annually
- **Participants**
  - Manager level & above: Full participation by the management team
  - Senior supervisor level & below: Evaluated internally within the department
- **Multi-Dimensional Evaluation System**
  - Professional competence
  - Team collaboration
  - Business contribution
  - Compliance awareness
- **Conflict of Interest Prevention Mechanism**
  - Department heads conduct an initial review of participants
  - Exclusion criteria
    - Immediate family relationships
    - Direct financial interests
    - Recent work conflicts

Employee Training

The Group is committed to developing a diverse and tailored training system for employees, aiming to continuously enhance their professional competencies and operational skills. Each department formulates an *Annual Employee Training Plan* based on job competency requirements, employee performance, and business needs. This plan is reviewed and approved by the HR Department before implementation, with clearly defined training participants. Employees are required to undergo post-training assessments, with the results contributing to a key reference for evaluating their job competency.

Our training system consists of both internal and external training programs. Internal training includes courses conducted by our internal lecturers or invited external experts, while external training primarily consists of industry open courses, seminars, and specialized skill enhancement programs. Based on the above, we have designed four types of training courses, comprehensively covering employee skill development, compliance awareness enhancement, management capability advancement, and industry trend learning, to support employee growth.

The Group's training system

Internal Training + **External Training**

- **Employee training**: covering awareness enhancement and professional ethics training
- **Training in information systems expertise and occupational skills**
- **Certification training for specific job roles**
- **Training for managerial staff**: encompassing management skills and awareness development

NewHire Training

- To facilitate the rapid integration of new hires into the company culture and work environment, we have crafted an *New Employee Onboarding Training Checklist*. This ensures that employees can master core business knowledge, fundamental work processes, and necessary skill during their initial onboarding phase. The training content covers the basics of the Company, its organizational structure, and corporate culture, offering new employees a holistic perspective on the Group's developmental trajectory and strategic objectives. Furthermore, to optimize operational efficiency, the training emphasizes the use of information systems, such as internal collaboration platforms, business management software, and data reporting tools. This equips new employees with the proficiency to leverage digital resources effectively in their daily operations.
- Additionally, we encourage new hires to actively engage with mentors and colleagues during the training process. By participating in case studies, scenario-based simulations, and hands-on practice, they can enhance their practical application skills. The comprehensive training initiative not only accelerates team integration but also establishes a robust foundation for long-term career growth.

Development of Professional Competency

- The Group actively explores new approaches to digital talent cultivation, with a focus on elevating employees' proficiency in data analytics and business decision-making to keep pace with the ever-evolving digital economy. To this end, we have launched the Youth Excellence Program for high-potential employees. It offered systematic learning and practical applications to help participants master data-driven business analysis methods.
- By integrating mentorship with practical case-based studies, the program empowers participants to utilize data analysis tools in authentic business contexts. This methodology enhances their logical reasoning capabilities and fosters the ability to spot problems and refine strategies based on data.
- These specialized initiatives not only diversify the Group's talent development paths but also produce well-rounded professionals equipped with data-centric thinking, innovation, and practical expertise. This significantly bolsters employees' competitive edge in the digital business landscape.

Employee Training Data (Group-wide workforce data)	
Data Indicators	2024
Total number of employees trained	219
By Gender	
Number of male employees trained	92
Number of female employees trained	127
By Employee Rank	
Number of frontline employees trained	165
Number of mid-level management employees trained	48
Number of senior management employees trained	6
By Employee Category	
Number of headquarters and management staff trained	7
Number of business and development staff trained	99
Number of on-site management staff trained	15
Number of R&D staff trained	16
Number of finance staff trained	8
Number of HR staff trained	47
Number of administrative and other staff trained	7
Employee Training Duration	
Total training hours for all employees	13,114
Average training hours per employee	6
By Gender	
Total training hours for male employees	552
Total training hours for female employees	762
By Employee Rank	
Total training hours for frontline employees	990
Total training hours for middle management employees	288
Total training hours for senior management employees	36
By Employee Category	
Total training hours for headquarters and management staff	42
Total training hours for business and development staff	594
Total training hours for on-site management staff	90
Total training hours for R&D staff	96
Total training hours for finance staff	48
Total training hours for HR staff	282
Total training hours for administrators and other staff members	42

*Note 1: Statistics are based on data for each of the year ended 31 December.
*Note 2: The employee data presented above reflects statistics for the original business scope of Plus Group only and does not include data from the joint ventures established during the reporting period: Puluote (Shanghai) Digital Technology Co., Ltd., Shanghai Subide Technology Co., Ltd., Shanghai Suditong Information Technology Co., Ltd., Shanghai Rongxi Yunpin Talent Technology Co., Ltd.. Data from these joint ventures is excluded from this disclosure as their statistical cycles are not yet complete.

Safety and Health

The Group consistently incorporates occupational safety and health into all aspects of our operations. We strictly adhere to relevant laws and regulations, such as the *Labor Law of the People's Republic of China* and the *Fire Control Law of the People's Republic of China*, and continuously enhance our comprehensive, all-encompassing safety management system to ensure robust protection for employees' health and safety.

In terms of cultivating safety awareness, we organize or participate in fire safety training and emergency drills annually while providing safety education for new employees. These initiatives equip employees with risk identification and response skills, enhancing their self-protection capabilities. Furthermore, we have further improved our health protection system by offering supplementary commercial insurance to employees and optimizing annual health check-up plans based on the occupational risks associated with different positions, ensuring employees receive comprehensive physical and mental well-being support.

Regarding workplace safety, we continually optimize safety facilities by equipping office areas with adequate fire protection equipment and first-aid kits. We also develop and publicize emergency response plans and emergency contact information to enhance our ability to handle unexpected situations. We also conduct regular hazardous substance tests in the office environment, and implement pest control measures (such as fly and rodent extermination, and disinfection) to provide employees with a clean and safe workplace.

Employee Health and Safety Data (Group-wide workforce data)			
Data Indicators	2022	2023	2024
Number of workdays lost due to work-related injuries Note: Number of days absent from work due to work-related injuries	0	0	0
Number of employees fatally injured due to work-related incidents	0	0	0
Number of employees in high-risk positions for occupational diseases	0	0	0
Number of employees affected by occupational diseases	0	0	0

*Note 1: Statistics are based on data for each of the year ended 31 December.
*Note 2: The employee data presented above reflects statistics for the original business scope of Plus Group only and does not include data from the joint ventures established during the reporting period: Puluote (Shanghai) Digital Technology Co., Ltd., Shanghai Subide Technology Co., Ltd., Shanghai Suditong Information Technology Co., Ltd., Shanghai Rongxi Yunpin Talent Technology Co., Ltd.. Data from these joint ventures is excluded from this disclosure as their statistical cycles are not yet complete.

A Caring Working Environment

Adhering to a people-centric philosophy, the Group strives to cultivate an open, inclusive, and positive working environment. We continuously enhance communication channels, refine employee care initiatives, and organize diverse activities to help employees achieve a balance between their career development and personal life, thereby strengthening team unity and a sense of belonging.

Open Communication

We encourage employees to speak out their opinions, fostering a democratic process in collective decision-making. The Group has established a labor union to protect employees' legitimate rights and interests, serving as a crucial bridge between management and employees to coordinate and address employee concerns. The union adheres to the principle of democratic decision-making. Any significant issues related to its objectives and daily operations are openly discussed at committee meetings convened at a timely manner. This will ensure transparency and fairness in decision-making.

Furthermore, we continuously refine our internal communication mechanisms, introducing the EXE Email (exe@plscn.com) as a dedicated channel for employees to submit suggestions and feedback. The HR and Compliance Departments will promptly address employee opinions and ensure effective follow-up and resolution. Senior management also holds large-scale internal communication events on regular basis to elaborate on the Company's strategic planning, share decision-making insights and business progress, creating a direct and efficient communication platform between leadership and employees.

The Group's approach to managing open communication

Labor Union

Open communication in daily operations: The Union listens to and addresses the opinions and requests of union members. It also maintains close contact with the workforce and proposes timely solutions.

Employee Representative Assembly

A key channel for open communication: The Employee Representative Assembly serves as the key to union activities, where representatives raise issues and proposals, speaking on behalf of the staff.

Channels for Employee Communication

Establishment of an employee suggestion box: Employees are encouraged to freely discuss their problems and provide suggestions. Illegal and disciplinary actions are monitored and reported.

Executive leadership forum: The executives share the Company's strategic plans and business updates

Conducting employee satisfaction surveys: The basic needs of employees can be understood to enhance overall management within the Group.

Employee Care

To help employees strike a balance between professional growth and personal life, the Group continually enhances its employee care initiatives, providing comprehensive support. We regularly organize Face-to-Face with Boss events, where management engages directly with employees to listen to their thoughts, address any uncertainties in their career paths, and actively adopt reasonable suggestions, fostering mutual growth for both the enterprise and its employees. In addition to providing routine legal compliance support, our Legal Department also offers legal consultations to all employees, assisting them in resolving legal dilemmas in both work and life.

Our commitment extends to supporting employees facing difficulties. If an employee is found in a difficult situation such as a serious illness, we will closely monitor their situation and provide assistance to help them through it. Additionally, we attach great importance to the career development and rights protection of female employees. The union has a dedicated women's committee to implement relevant policies. For instance, we adjust female employees' positions during pregnancy based on their actual situation to ensure a comfortable and safe working environment. Annually, on International Women's Day, we express gratitude to our female employees for their contributions with festive gifts.

Moreover, we celebrate the birthdays of all our employees. During the Reporting Period, we celebrated every employee's birthday with gifts and blessings in the form of dinner parties and small office ceremonies, further enhancing their sense of belonging and happiness.

Employee birthday party

Employee Activities

To fortify team unity and enrich employees' personal lives, we organize festive events aligned with traditional holidays and corporate culture themes. In 2024, we held the themed activities for traditional festivals such as the Mid-Autumn Festival and New Year, incorporating interactive sessions and fun competitions to strengthen connections among employees and promote a spirit of teamwork.

We also encourage employees to maintain a healthy lifestyle and actively promote a culture of fitness. The Group's Fun Running Club continues to grow, embracing the concept of RUN FOR NOTHING BUT FUNNY. Employees are free to sign up for regularly organized road runs, cross-country runs, and other activities, fostering both physical well-being and team unity. As of 31 December 2024, 47 employees had actively participated in sports activities such as hiking, marathons, and night runs, energizing our corporate culture with renewed vibrancy.

Diverse and vibrant sports activities

Additionally, our employees actively engage in public welfare undertakings, demonstrating our commitment to fulfill corporate social responsibility. In 2024, the Group's employees voluntarily organized and participated in various community volunteer activities, further enhancing teamwork spirit and social responsibility, and establishing a positive social image for the corporate.

Employees participating in a volunteer activity for the district-level integrity calligraphy and painting exhibition

06 Environmental Protection

Upholding Every Green Commitment

Plus adheres to the principles of low-carbon development and green operations, safeguarding our planet with every small initiative. We implement green office practices and activities, fulfilling our long-term commitment to environmental protection.

ADDRESSING CLIMATE CHANGE 65

COMMITTING TO LOW-CARBON OPERATIONS 69

GREEN INITIATIVES IN ACTION 70

Addressing climate change

In 2024, the Group actively addressed the challenges and opportunities brought about by climate change. We were keenly aware that in the context of climate change, we must stay at the forefront of the times to drive the green transition of the industry.

To further strengthen our efforts in addressing climate change and advance our carbon neutrality initiatives, we have, for the first time, followed the recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD). From four dimensions of governance, strategy, risk management, and indicator and target, we have systematically identified and assessed climate-related risks and opportunities, built a comprehensive climate change management system, and continuously optimized our management measures.

Governance

The Group has established a climate change management framework. Our management regularly review climate-related issues and oversee the progress of implementing sustainability goals. Each department is responsible for executing climate change management measures, covering policy development, risk assessment, target setting, etc., and then reports to management.

To address climate change, we have developed climate change policies as well as strategies for mitigating and adapting to climate change, with an aim to effectively manage the climate-related risks in our business operations. We will review these policies on a regular basis, ensuring their alignment with our sustainability strategy. Meanwhile, we will stay updated on evolving climate issues.

Strategy

To address the long-term impacts of climate change, we have conducted a systematic assessment of its potential effects on our business based on TCFD recommendations. We have also developed a green operation and low-carbon development strategy to advance the achievement of sustainable development goals. In 2024, we conducted our first climate risk assessment and scenario analysis to identify material physical and transition risks related to our operations. Meanwhile, we evaluated the associated impacts and opportunities, and formulated appropriate mitigation measures that align with corporate strategy and growth demand.

Physical risks

For physical risk assessment, we based our climate projections on the IPCC's RCP8.5 scenario, with the analysis period set for 2050. During the climate risk assessment, we evaluated the impacts on different business sectors, identifying acute and chronic climate risks that are highly relevant to our operations.

Transition risks

Climate-related transition risks are associated with the shift towards a low-carbon economy. Generally, transition risks are grouped into four main categories: policy and law; technology; market, and reputation. We conducted a low-carbon scenario analysis using the IPCC's RCP2.6 scenario projection to evaluate these transition risks.

Below is the identification of key climate risks and opportunities for the Group:

Risks			
	Transitional Risks	Potential Impacts	Time Horizon
Policy and Legal	As climate-related regulations and disclosure requirements become more stringent, businesses need to adapt to stricter climate governance rules. These regulations can directly impact their business models	Non-compliance with relevant laws and regulations can potentially damage a company's value. Additionally, the introduction of new government policies supporting low-carbon transition can impact high-emission economic activities of businesses, potentially leading to increased operating costs.	Long term
Market	Shifts in consumer behavior and preferences	As global concern over climate change intensifies, consumer awareness of environmental protection and sustainable development is also on the rise. Consumers may increasingly opt for low-carbon and eco-friendly brands and products. Should marketing solutions fail to keep pace with these shifts, brands may find their offerings disconnected from market demands, leading to potential declines in sales and market share.	Medium term
Reputation	As public concern for climate change and low-carbon issues continues to grow, businesses that fail to align their models with the low-carbon economy could face reputational harm and lower assessments from rating agencies	Losing customer trust can result in customer churn and increase the cost of communicating with stakeholders to maintain reputation.	Long term
Technology	Technological advancements and service offerings that demonstrate superior environmental performance, such as energy efficient equipment and cloud infrastructure, can provide a competitive advantage	Technological transition may cause increased spending on hardware upgrades and the premature scrapping of old devices. Similarly, the costs associated with research and development of new technologies may also rise. Additionally, losing technological advantages can result in customer churn.	Medium to long term
	Shifting to online work	The transition towards online work introduces greater IT security risks, such as operational disruptions and data breaches.	Long term

Risks			
	Physical Risks	Potential Impacts	Time Horizon
Urgent	Floods, extreme weather events, droughts, rising sea levels, and storm surges	These events pose threats to the safety and health of employees. They can also lead to operational disruptions in corporate infrastructure and data center, impacting the execution capability of critical business processes. Additionally, there is a risk of property loss or depreciation.	Medium to long term
Non-Urgent	Water scarcity, temperature fluctuations, increasing energy demand, and rising sea levels	The impact of climate change on the operational environment can lead to increased operating costs. Water scarcity, in particular, can result in higher expenses for procuring alternative water sources. For SaaS companies that rely on servers, water scarcity may further increase server operating costs.	Medium to long term

Opportunities			
	Opportunities	Potential Impacts	Time Horizon
Product and Services	The rise of the low-carbon product market presents businesses with opportunities to optimize product strategies, enhance technological capabilities, and expand service offerings	Utilizing SaaS as a tool to improve carbon efficiency and reduce energy consumption can help companies achieve their sustainable development goals. From a strategic perspective, it enables businesses to offer a wider range of green development solutions to customers, thereby enhancing the company's reputation, increasing business demand for product and services, and boosting operating revenue.	Medium term
Market	The introduction of policies related to carbon neutrality, clean energy, and environmental subsidies plays a guiding role in the market and benefits companies in exploring new markets and business opportunities	Developing climate change related strategies can capture new market opportunities. Implementing diversified business models that meet consumer expectations can facilitate entry into new markets and increase revenue.	Medium to long term
Resource Efficiency	Providing low-emission SaaS/ marketing services	Continuously promoting the concept of green operations through energy saving technologies, purchasing green electricity, and implementing resource recycling and reuse methods can improve resource and energy efficiency, thereby reducing operating costs.	Long term

*Note: Medium-term refers to 3 to 5 years. Mid-to-long-term refers to 5 to 10 years. Long-term refers to over 10 years.

Risks

We conduct a major risk analysis annually, assessing the likelihood and potential impact of identified risks, followed by risk evaluation and categorization. Now, we are considering all the risks in a coordinated manner and exploring strategies to mitigate them, striving to enhance our resilience in front of risks.

To more effectively manage the potential impacts of climate change on our business, we continuously optimize our processes for identifying and evaluating climate-related risks. Meanwhile, we plan to improve the foundational risk assessment processes and implement education and awareness training at the operational level to strengthen our risk identification mechanisms.

Indicator and Target

To measure and manage climate-related risks and opportunities, we set annual climate-related targets:

a)Electricity consumption

Optimize office equipment energy efficiency to ensure that electricity consumption density does not exceed the previous fiscal year's level.

b)Water usage

Implement water-saving measures to ensure consumption density does not exceed the previous fiscal year's level.

c)Fuel consumption

Increase the use of clean energy to ensure fuel consumption density remains below the previous fiscal year's level.

Committing to Low-Carbon Operations

In our daily operations, we implement green office practices. Employees are required to follow the guidelines in the *Employee Handbook*, such as turning off computers, lights, air conditioners, exhaust fans, and other non-essential equipment before leaving the office. They are also required to perform a final check to ensure the office environment meets energy-saving and emissions-reduction targets. Furthermore, we have set annual targets to ensure that resource consumption density (including electricity, water, fuel) does not exceed the previous fiscal year's levels, while maintaining zero environmental pollution incidents. In 2024, we successfully achieved our annual targets for electricity consumption density, water consumption density, and fuel consumption density.

Our water resources primarily come from municipal water supply, eliminating any risks associated with securing a suitable water source. Moreover, we continuously improve our daily water management. We promote water-saving habits among our employees by posting water conservation reminders and enhancing the management and maintenance of water equipment, thereby increasing the efficiency of our water utilization.

In waste management, our involvement revolves around handling non-hazardous waste generated during our operations, primarily materials used in promotional events and office paper. After sales and marketing activities conclude, we dispose of or handle these materials according to customer instructions to minimize the environmental impact of waste disposal. Additionally, we have made efforts to reduce unnecessary material usage, such as shifting from paper coupons to electronic discount vouchers. We also recycle and reuse materials used in our activities whenever possible to minimize waste of resources. Meanwhile, we use environment-friendly materials as much as possible and encourage our suppliers to reduce the use of packaging materials, aiming to foster a green partnership ecosystem. In our office processes, we default to double-sided printing, actively promote electronic contract signing, encourage paperless operations, and integrate resource-saving principles into our daily office routines.

Regarding emissions management, since our business does not directly emit significant air pollutants, our daily operational focus primarily lies in reducing indirect greenhouse gas emissions from electricity consumption. We have discontinued the use of the building's central air conditioning system but have switched to independent office air conditioners, with indoor temperatures set at 25° C. Regular maintenance of cooling technology and optimal timing control is conducted every six months to reduce electricity consumption. We have also designated employees to check and turn off idle appliances every day to prevent energy waste. Additionally, we are progressively increasing the use of clean energy, replacing the Group's gasoline-powered vehicles with electric ones to reduce direct greenhouse gas emissions from fuel consumption.

Environmental Data			
Data Indicators	2022	2023	2024
Total electricity consumption (kWh)	178,003	198,267	219,846
Electricity consumption density (kWh/RMB million earnings)	288	273	210
Total water usage (cubic meters)	2,173	2,135	1,932
Water consumption density (m3/RMB million earnings)	4	3	2
Total fuel consumption (L)	4,351	3,801	3,536
Fuel consumption density (L/RMB million earnings)	7	5	3
A4 paper usage (sheets)	218,000	187,500	279,500

*Note : Statistics are based on data for each of the year ended 31 December.

Green Initiatives in Action

We continually encourage employees to promote green living through low-carbon actions, incorporating environmental protection into their daily work and life. We understand that, cumulatively, even small actions can lead to a significant environmental impact. As such, we actively advocate for green commuting, energy conservation, emissions reduction, and low-carbon habits, guiding employees to raise their environmental awareness through concrete actions. For example, on National Low-carbon Day, we encourage our employees to opt for greener transportation options like subways, buses, or bicycles as their primary commuting options to reduce their personal carbon footprint. We also organize an evening run to promote the concept of low-carbon living in a healthy way.

Additionally, we consistently convey environmental messages through various internal communication channels to ensure that the vision of green development are embraced in the company culture. The Company regularly conducts internal seminars, sends email reminders, and posts eye-catching posters in office areas, to raise employees' awareness of sustainability. We call for environmental actions on daily details, such as reducing the use of disposable items, turning off idle equipment, and minimizing paper waste. We believe that when environmental protection becomes an integral part of our corporate culture, employees will more proactively adopt low-carbon lifestyles and even implement green practices in scenarios beyond work, thereby collectively advancing a sustainable future.

Appendix: ESG Reporting Guide Index

KPIs		Sections	Notes
Environmental			
Aspect A1 Emissions			
General disclosure	**the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer**	**Environmental Protection: Upholding Every Green Commitment**	
KPI A1.1	The types of emissions and respective emissions data.	/	The Group does not produce any products and emits no exhaust gases during its operations. Domestic wastewater is discharged into the municipal drainage system, and as such, the Group is unable to quantify the discharge volume. Therefore, this indicator is not disclosed.
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	/	The Group does not engage in product manufacturing, resulting in minimal emission of greenhouse gases. Therefore, this indicator will not be disclosed for the current year.
KPI A1.3	Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	/	The Group's operations do not involve the emission of hazardous waste. Therefore, this indicator is not disclosed.
KPI A1.4	Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	Committing to Low-Carbon Operations	
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Addressing climate change Committing to Low-Carbon Operations	
KPI 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.	Addressing climate change Committing to Low-Carbon Operations	
Aspect A2 Use of resources			
General disclosure	**Policies on efficient use of resources including energy, water and other raw materials.**	**Environmental Protection: Upholding Every Green Commitment**	
KPI 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).	Committing to Low-Carbon Operations	
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Committing to Low-Carbon Operations	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Committing to Low-Carbon Operations	
KPI 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.	Addressing climate change Committing to Low-Carbon Operations	
KPI A2.5	Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced.	/	The Group's operations do not involve the use of packaging materials. Therefore, this indicator is not disclosed.
Aspect A3 The environment and natural resources			
General disclosure	**Policies on minimising the operation's significant impact on the environment and natural resources.**	/	**The Group's operations have no significant impact on the environment or natural resources. Therefore, this indicator is not disclosed.**
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	/	The Group's operations have no significant impact on the environment or natural resources. Therefore, this indicator is not disclosed.
Aspect A4 Climate change			
General disclosure	**Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.**	**Environmental Protection: Upholding Every Green Commitment**	**The indicator has no substantial impact on the Group's operations. Therefore, it is not disclosed.**
KPI 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.	Addressing climate change	The indicator has no substantial impact on the Group's operations. Therefore, it is not disclosed.

KPIs		Sections	Notes
Social			
Employment and Labour Practices			
Aspect B1 Employment			
General disclosure	**the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer**	**Employees: Fostering a Happy Workplace Ecosystem**	
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Employment of Staff	
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment of Staff	
Aspect B2 Health and safety			
General disclosure	**the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer**	**Employees: Fostering a Happy Workplace Ecosystem**	
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Safety and Health	
KPI B2.2	Lost days due to work injury.	Safety and Health	
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Safety and Health	
Aspect B3 Development and training			
General disclosure	**Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.**	**Employees: Fostering a Happy Workplace Ecosystem**	
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Training and Development	
KPI B3.2	The average training hours completed per employee by gender and employee category.	Training and Development	
Aspect B4 Labour standards			
General disclosure	**the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer**	**Employees: Fostering a Happy Workplace Ecosystem**	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment of Staff	
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment of Staff	
Operating Practices			
Aspect B5 Supply chain management			
General disclosure	**Policies on managing environmental and social risks of supply chain.**	**Partners: Collaborating to Explore New Frontiers of Sustainable Development**	
KPI B5.1	Number of suppliers by geographical region.	A Responsible Supply Chain	
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	A Responsible Supply Chain	
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	A Responsible Supply Chain	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	A Responsible Supply Chain	
Aspect B6 Product responsibility			
General disclosure	**the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer**	**Clients: Innovating Digital and Intelligent Services Experience Governance: Fostering a Culture of Integrity and Compliance**	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	/	The Group's operations do not involve product transportation and recycling. Therefore, this indicator is not disclosed.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Safeguarding Client Rights and Interests	
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Management	
KPI B6.4	Description of quality assurance process and recall procedures.	/	The Group's operations do not involve product quality assurance process and recall procedures. Therefore, this indicator is not disclosed.

KPIs		Sections	Notes
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security and Privacy Protection	
Aspect B7 Anti-corruption			
General disclosure	**the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer**	**Governance: Fostering a Culture of Integrity and Compliance**	
KPI 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.	Anti-Corruption and Business Ethics	
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-Corruption and Business Ethics	
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-Corruption and Business Ethics	
Community			
Aspect B8 Community investment			
General disclosure	**Policies on community engagement to understand the needs of communities where the issuer operates and to ensure its activities take into consideration the communities' interests.**	**Environmental Protection: Upholding Every Green Commitment**	
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Committing to Low-Carbon Operations	
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Green Initiatives in Action	

Plus Group Holdings Inc.

Address: 2nd to 3rd Floor, Building 6, No. 652 Changshou Road, Putuo District, Shanghai, China

Telephone: 021-60321928

Email: ir@plscn.com