2023

Environmental, Social and Governance Report

Shanghai Baosight Software Co., Ltd.

Content

About This Report

Reporting Principles

This report is the first Environmental, Social and Governance report (hereinafter referred to the "ESG report") issued by Shanghai Baosight Software Co., Ltd., aimed at various stakeholders of the Company. The report focuses on disclosing the Company's management, practices and performance in the areas of economy, environment, society and corporate governance. The Company's objective is to respond to stakeholders' concerns, enhance communication and deepen mutual understanding and consensus on economic, environmental and social sustainability through the publication of this report.

Reporting Period

This report covers January 1 to December 31, 2023 (hereinafter referred to as the "reporting period"), with some information and cases related to previous years.

Reporting Boundary

The manufacturing facilities covered in this report include Shanghai Baosight Software Co., Ltd. (hereinafter referred to as the "Company" or "Baosight") and all its subsidiaries. The scope of the report is consistent with the annual report.

*Note	
	1) " Baowu Group" refers to China Baowu Steel Group Corporation Limited; "Baosteel" refers to Baoshan Iron & Steel Co., Ltd.
	2) The designations of other subsidiaries are as follows:
	● "Meishan Design Institute" refers to Shanghai Meishan Designing & Researching Institute of Industrial and Civil Engineering
	● "Dalian Baosight" refers to Dalian Baosight Lifting Technology Co., Ltd.
	● "Baosight Data" refers to Shanghai Baodata Center Co., Ltd.
	● "Wuhan Baosight" refers to Baosight Software (Wuhan) Co., Ltd.
	● "Nanjing Baosight" refers to Baosight Software (Nanjing) Co., Ltd.
	● "Xinjiang Baosight" refers to Xinjiang Baosight Intelligent Technology Co., Ltd.
	● "Guide Group" refers to Wuhan Guide Electric Co., Ltd.
	● "Baosight Energy" refers to Shanghai Baosight Energy Technology Co., Ltd.

Reference

The report has been prepared in accordance with the *GRI Standards* for sustainability reporting, the *Shanghai Stock Exchange Listed Company Self-Regulation Supervision Guidelines No. 1 - Standard Operations* and the *Reporting Guidelines for Chinese Corporate Social Responsibility (CASS-ESG 5.0)* issued by the Chinese Academy of Social Sciences and has referred to the requirements of the MSCI ESG Rating.

Information Sources and Reliability Assurance

Data and information contained in this report are obtained mainly from our statistical reports and other relevant official documents and have been reviewed by relevant departments. The monetary amounts mentioned in this report are settled in RMB, unless otherwise specified. Baosight hereby commits that this report does not contain any false records or misleading statements and the Company takes responsibility for the truthfulness, accuracy and completeness of its content.

Confirmation and Approval

This report has been confirmed by the management and approved by the Board of Directors on March 28, 2024.

Contact and Feedback

Baosight values your opinions and suggestions regarding our Company's sustainability development performance. You are welcome to send your valuable feedback and suggestions via email to: investor@baosight.com. Additionally, you can find more ESG information about Baosight on our official website: https://www.baosight.com. Baosight looks forward to receiving your valuable feedback and working together to promote the Company's sustainability.

Message from the Chairman

In 2023, Baosight fully leveraged the integration of data and reality, creating a solid digital foundation for the new industrialization and promoting high-quality development of the industry. The Company continuously strengthened its green and intelligent manufacturing concept, comprehensively advancing sustainable development work and contributing to the construction of a better future.

The foundation of solid development

Baosight has established and continuously improved its ESG management system, maintaining long-term effective communication with stakeholders and is committed to integrating ESG core concepts and standards into the Company's development strategy and daily operations comprehensively. Through strengthening its own compliance management, improving internal supervision and risk control, creating an honest and integrity business environment, the company continuously enhances corporate governance and laying a solid foundation for sustainability.

Advancing digital intelligence engineering

Baosight closely aligns with national strategic services and industrial development needs, adheres to the mission of digital transformation and successfully creates a batch of digital innovation applications and demonstration benchmarks with solid industry knowledge, excellent digital platforms and advanced innovative development concepts, resulting in continuous value creation for users. In addition, the Company actively promotes the R&D and application of industrial Internet platforms, focuses on the layout of strategic emerging industries and leads the low-carbon, high-quality growth of the industry chain.

Guarding lucid waters and lush mountains

Baosight actively responds to the national "Dual Carbon" strategy. The Company has established a Carbon Neutrality Special Promotion Working Group, conducting annual carbon emission investigations to manage the carbon emissions of the Company's operations and value chain comprehensively and effectively. Additionally, the metallurgical industry has always been one of the main areas for carbon emission reduction in China. To support the achievement of the "dual carbon" goals, the Company, based on industrial internet, fully leverages its technological advantages to actively explore and continuously research the application of green and low-carbon technologies in the steel industry. It is creating a carbon asset management platform, practicing the concept of green development with practical actions.

Fostering strong enterprise with talent

Baosight abides by the concept of "people-oriented", considering talent as core assets. The Company upholds an open and inclusive philosophy, making every effort to create a work environment of trust, respect, equality and diversity for its employees. The Company is committed to enhancing the depth and breadth of talent reserves comprehensively. It effectively safeguards the legitimate rights and interests as well as the occupational health and safety of employees, constructing a multi-form, multi-path and three-dimensional talent training system. This provides employees with broad development platforms, jointly composing a bright future with them.

Fulfilling social responsibility

Baosight actively fulfills its social responsibilities by participating in public welfare activities and adhering to the principle of sharing development successes with society, demonstrating the responsibility of an enterprise. The Company is actively involved in rural revitalization efforts, combining business benefits with public welfare initiatives. By establishing a smart agriculture platform, it contributes to the digitalization and greening of agriculture, which helps to achieve the goal of common prosperity.

This report is our inaugural ESG report, in a bid to review our efforts made in the ESG and SCR frontiers for 2023. Baosight also promotes information sharing with various sectors of society, particularly stakeholders, improve mutual understanding and consensus and collaborate on a new chapter of sustainable development.

As the saying goes, success comes to those who persist. Looking ahead, Baosight will continue to tread the path of becoming "a leader in industrial intelligence, an innovator in smart industrialization and a model for the common development of employees and enterprises". The Company will tirelessly drive the wave of digital technology innovation, injecting powerful digital intelligence into sustainable development and forging a brilliant future of integration and prosperity between the enterprise and society.

Xia Xuesong 夏雪松

Chairman of the Board
Shanghai Baosight Software Co., Ltd.

Featured Case Study

Digital Support for New Low-Carbon Metallurgy to Achieve Intelligence and Greenization

The manufacturing industry is the backbone of the national economy, essential for the foundation, development and strengthening of the country. In the process of transitioning from a manufacturing power to a manufacturing stronghold, the importance of industrial software is increasingly prominent, gradually becoming the core engine driving high-quality development in intelligent manufacturing. Accelerating the high-quality enhancement of the industrial software industry is not only an inevitable choice for economic development needs but also a crucial step in achieving the digital transformation in the manufacturing industry. Meanwhile, new low-carbon metallurgy, as an important direction for the transformation of the metallurgical industry, aims to provide strong support for industry's green and low-carbon development by using digital technology to optimize metallurgical processes and reduce energy consumption and carbon emissions during metallurgical processes.

As a leader in the industrial software industry, Baosight actively responds to national policies and industry trends, deeply participating in the intelligent and green development of process-oriented manufacturing industries represented by the metallurgical industry. The Company accelerates technological innovation and R&D, focusing on developing independently controllable industrial control systems to propel the digital transformation of the metallurgical industry to a higher level. Leveraging its profound accumulation in the informatization and automation fields of the metallurgical industry, the Company continuously promotes and enhances interconnection, business agility and data intelligence across industries and domains, making unremitting efforts to achieve industry-wide digitalization and low-carbon transformation.

Leading low-carbon digitalization intelligence

Baosight is focusing on the development of new low-carbon metallurgical technologies, vigorously promoting intelligent manufacturing and providing energy-saving and emission-reducing digital intelligence solutions for low-carbon processes and equipment in the metallurgical industry, empowering the industry's high-quality, low-carbon development. The Company fully leverages the advantages of industrial Internet platforms, innovates refined control models and builds management platforms to construct comprehensive, full-process, and full-lifecycle information systems for enterprises. This supports the continuous improvement of production and energy management efficiency in the metallurgical industry and other manufacturing industries, ultimately maximizing energy efficiency.

Additionally, through diversified business practices, the Company continuously expands its business scope, achieving demonstration application in sectors such as non-ferrous metals, chemicals, mining, transportation and others, contributing to the construction of a modern industrial system and driving industry-wide green transformation and upgrading.

Low-carbon metallurgy team

Baosight has established a Carbon Neutrality Special Promotion Working Group, responsible for the Company's top-level design of carbon peak and carbon neutrality initiatives. This group develops overall planning schemes, organizes internal and external resources and establishes implementation mechanisms to drive various tasks forward in a project-based manner. Additionally, the Company has formed an electrification working group for the entire smelting process, with steel smelting electrification as a key technological direction for low-carbon metallurgy. The working group plans innovative projects, coordinates internal resources to form joint working teams and advances project implementation. Through activities such as progress meetings and regular reporting, the Company promotes research and application efforts related to "dual carbon" initiatives to ensure that all units can fully utilize digitalization technology to support green and low-carbon business development.

Low-carbon digital intelligence applications

Baosight focuses on low-carbon metallurgy research and application, using digitalization technology to continually advance green and low-carbon processes and equipment in the steel industry. On the one hand, the company actively promotes advanced technologies such as intelligent scheduling of production processes, SmartTPC autonomou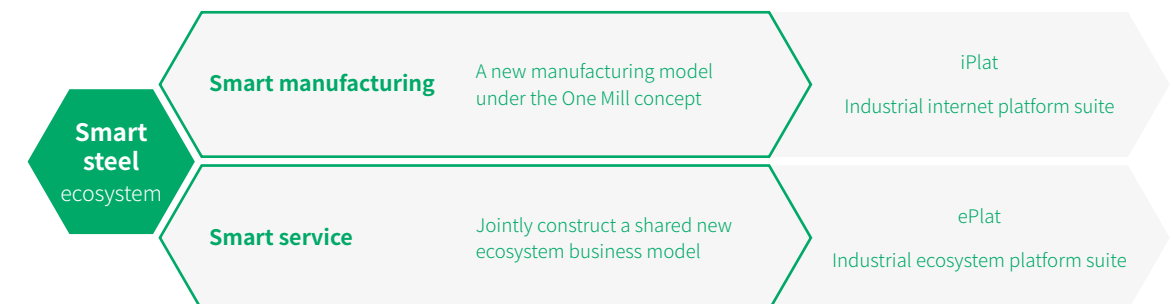s driving, complete electrification of metallurgical processes and rapid electromagnetic induction heating to aid in energy savings in metallurgical processes, allowing customers to directly reduce carbon emissions from the production end. On the other side, through research and use of low-carbon technologies such as carbon emission management platforms, the Company assists customers in tracking and managing carbon emissions, allowing them to develop more effective emission reduction strategies. The company provides users with comprehensive intelligent solutions throughout the process and via the extensive use of digitalization technologies, it supports industry-wide sustainable development.

Highlights

### BaoLianDeng (xIn^{3}Plat) listed in national "Dual Cross" platform for multiple years

BaoLianDeng (xIn^{3}Plat), the Industrial Internet platform, deeply integrates next-generation information technology with manufacturing, developed a cloud-edge integrated framework, which uses key technologies such as artificial intelligence, big data, Internet of Things (IoT), cloud computing and edge computing to drive the formation of a new manufacturing system characterized by data-driven processes, software-defined operations, platform support, value-added services and intelligent leadership. It provides support for comprehensive applications in creating smart services, smart governance and smart manufacturing enterprises, thereby facilitating the digital transformation and high-quality development of the manufacturing industry. The platform has been selected as a national "dual cross" (cross-industry and cross-domain) platform for four consecutive years and has been widely used in ten major industries and nine major domains, including steel, non-ferrous metals, chemicals and mining.

Smart steel ecosystem	Smart manufacturing	A new manufacturing model under the One Mill concept	iPlat Industrial internet platform suite
	Smart service	Jointly construct a shared new ecosystem business model	ePlat Industrial ecosystem platform suite

The platform empowers end-to-end production manufacturing by enhancing operational efficiency across the entire industry chain through management changes and process reengineering, resulting in significant cost reduction, efficiency enhancement and quality improvement. Additionally, the platform delivers four major values: enterprise digitalization, manufacturing intelligence, modernized management and industrial ecology, successfully lighting up the first lighthouse factory in the domestic steel industry. With a focus on green and intelligent initiatives, the platform serves as a critical lever and breakthrough point for current and future endeavors, driving comprehensive transformations in manufacturing, business models, product development, production management, quality control and consumer services.

MES Software — Whole process manufacturing management for the steel industry

Baosight's MES Software integrates advanced metallurgical management concepts and a rich knowledge base of the metallurgical industry, focusing on the full life cycle and whole-process manufacturing management of the steel industry. The software emphasizes full-process quality control, global contract management and comprehensive material management. By leveraging data collection and real-time communication technologies, the software gathers equipment status, logistics and warehousing information, energy and environmental protection indicators, online operating costs and other data into the whole-process manufacturing decision-making and intelligent control. It realizes the in-depth integration of production management with multiple systems such as quality, equipment, logistics, environmental protection, cost, etc. and significantly improves the operation efficiency and management level of the enterprise.
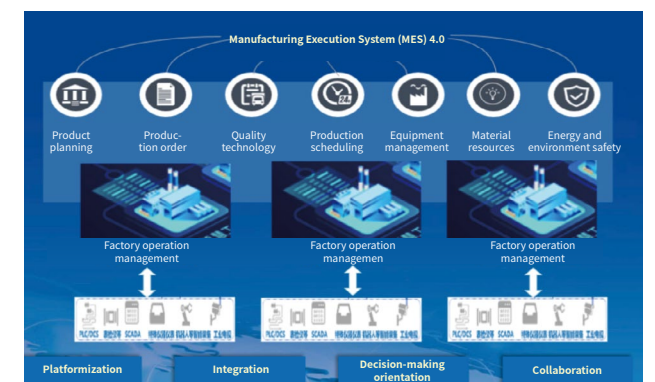
Manufacturing Execution System (MES) 4.0

Featured Case Study

Baosight's PLC[1] Products

Targeting the high-end equipment process requirements of industrial systems, Baosight adheres to an open system architecture design philosophy and has independently developed a series of PLC products with powerful hardware and software platform capabilities, by utilizing their in-depth knowledge and accurate comprehension of the fundamental algorithms used in the metallurgical sector.

The Company has promoted steady research and development by following the paradigm of generation release, development generation and pre-research generation. The replacement capacities of product process has improved gradually, and has been applied on many different production lines such as rolling mills. The product will lead to the creation of a new domestic ecosystem for industrial control software systems as they progressively spread beyond the metallurgical industry to allied industries like power, energy and equipment production.

Low-carbon transformation application cases

Carbon asset operation and management platform

The platform follows Baosight's carbon neutrality development path and is designed and implemented in phases, providing carbon emission management, carbon compliance management, carbon emission reduction management, carbon asset management, carbon trading services and other functions. Through the unified construction of the platform and the unified management of data, Baowu Clean Energy Co., Ltd. has realized an all-round, three-dimensional and penetrated "one-stop" management of carbon assets. The system was fully launched in February 2023.

Platform display

The intelligent project of reduction furnace
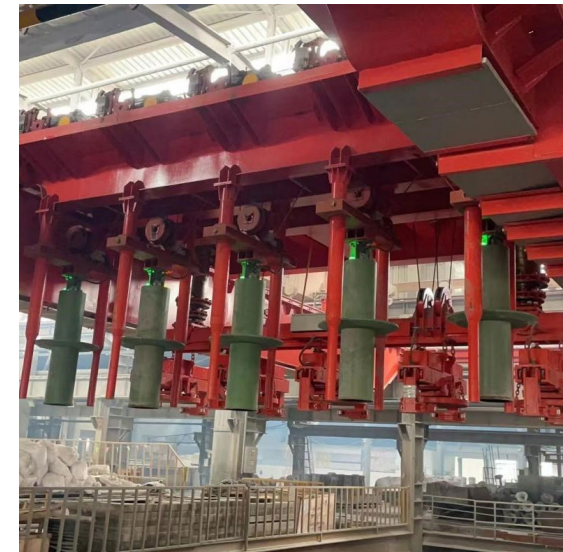
Heavy-duty gantry robot equipment

Baosight tailored a digitalization solution specifically for the characteristics and requirements of the magnesium reduction production line, successfully achieving a significant transformation from fully manual operations to high automation. This project introduced automatic magnesium carts and heavy-duty gantry robots, along with automatic hydraulic systems and control systems, to automate processes such as vacuum extraction, feeding and furnace discharge, significantly reducing manual operation intensity. Additionally, automated equipment was added to the bottom and top of the reduction furnace, improving production efficiency and safety. The system, managed by ground-based main control PLC and auxiliary equipment (such as vision cameras, remote controllers and operation Pads), ensures unified coordination and emergency linkage. Furthermore, the company deployed an HMI system and an intelligent equipment management system (WMS) based on industrial Internet, enabling equipment status monitoring, intelligent scheduling and streamlined handling of logistics information. Through the development of an automatic transportation system and the improvement of intelligent operational processes, this project not only effectively reduces carbon emissions but also significantly enhances production automation levels and efficiency.

SmartTPC (Smart Torpedo Cart) autonomous driving system project

Baosight actively practices the dual-carbon strategy, with the goal of "optimal optimization of the iron and steel interface," to create an intelligent iron and steel system based on SmartTPC. This system successfully integrates the management of molten iron transportation, intelligent scheduling, autonomous driving and visualized operations, significantly improving transportation efficiency. The system uses supercapacitors as green driving forces, equipping with high-precision positioning, automatic control, perception and fault diagnosis systems, ensuring stable operation in high-temperature and high-dust environments. After the application of this project, Baosteel has successfully reduced carbon dioxide emissions by approximately 11,500 tons per year and saved 1.36 million liters of diesel fuel per year while improving transportation efficiency and safety.

The SmartTPC system optimizes operational processes through big data and artificial intelligence technologies, achieving a success rate of 99.8% in operations, increasing transportation turnover to 6.3, reducing temperature drop during transportation by 44.3° C and optimizing multiple hazardous operation positions. In terms of green benefits, this system helps users save 5,000 tons of standard coal per year.

SmartTPC Smart Torpedo Cart

[1] Programmable logic controller (PLC).

About Baosight

Baosight, with a vision to become "a leader in industrial intelligence and an innovator in smart industrialization, demonstrator of joint development of employees and the company" and with "Integrity, Innovation, Green and Sharing," as values, actively responds to national development strategies and embraces technological innovation in digitalization, committed to be a leading industrial Internet technology company.

Company Profile

Baosight is a publicly listed software enterprise controlled by China Baowu Steel Group and holding by Baosteel. Baosight headquartered in the Shanghai Pilot Free Trade Zone and it was listed on the stock market in April 2001. It is a key software enterprise within the national planning layout, a national-level enterprise technology center and one of China's most competitive IT service enterprises.

Leveraging a robust industrial foundation in steel and advanced materials industries and rich application scenarios, Baosight is driven by information technology and capital, providing comprehensive digital and intelligent solutions for process manufacturing, with steel industry representation. Over the past 40 years of development, the Company has made significant contribution to promoting the deep integration of "digitization and intelligence," empowering the digital transformation of industries and has become a leading provider of industrial software industry application solutions and services in China. Its products and services have spread across multiple industries including steel, transportation, non-ferrous metals, chemicals and mining.

As a high-tech information company and domestic software service provider, Baosight combines industrial software expertise and industry knowledge to independently develop the industrial Internet platform BaoLianDeng (xIn^{3}Plat). Through iterative upgrades and continuous improvement, the Company has developed a batch of innovative demonstration applications and consistently entered national "Dual Cross" platforms, namely, a cross-industry and cross-domain industrial internet platform, becoming a benchmark brand for transformation empowerment.

The Company fully leverages the leading role of the China Baowu Group Industrial Internet Research Institute, China Baowu Group Big Data Center and China Baowu Group Institute for Digital Industry to grasp the direction of cutting-edge technology development. It provides comprehensive products and services in industrial Internet, industrial software, high-end automation, robotics, data centers, and big data, cloud computing, artificial intelligence, process modeling, green low-carbon technology, among others. Baosight Software is dedicated to driving process reengineering and management transformation, constructing a new manufacturing system driven by data, software, platform, service and intelligence.

Milestones

1978

The Automation Department of Shanghai Baosteel was established.

1996

Shanghai Baosteel Software Co., Ltd. was established.

1997

Shanghai Baosteel Computer System Engineering Co., Ltd. was established.

2000

Shanghai Baosteel Information Industry Co., Ltd. was established.

2001

Shanghai Baosteel Information Industry Co., Ltd. went public through asset replacement and was renamed Shanghai Baosight Software Co., Ltd.; acquired Shanghai Baoscape Information Technology Co., Ltd.

2016

Xinjiang Baosight Intelligent Technology Co., Ltd. was acquired and established.

2014

Shanghai Baodata Center Co., Ltd. was established.

2010

Shanghai Baosight Lifting Technology Co., Ltd. was established.

2006

Shanghai Baoli Automation & Engineering Co., Ltd. was established; Shanghai Meishan Designing & Researching Institute of Industrial and Civil Engineering was acquired.

2003

Baosight Japan Co., Ltd. was established.

2002

Shanghai Baokang Electronic Control Engineering Co., Ltd. was acquired.

2017

Baosight Software (Chengdu) Co., Ltd. was established.

2019

Baosight Software (Wuhan) Co., Ltd. was acquired and established; Hebei Xiong'an Baosight Industrial Internet Platform Research and Development Center Co., Ltd. was established.

2020

Baosight Software (Nanjing) Co., Ltd. was established.

2021

Baosight Software (Guangxi) Co., Ltd. was established; Hebei Baoxuan Data Technology Co., Ltd. was established; Baosight Software (Anhui) Co., Ltd. was acquired and established; Baosight Software (Nanchang) Co., Ltd. was established; Shanghai Baosight Energy Technology Co., Ltd. was established; Wuhan Guide Electric Co., Ltd. was acquired.

2022

Baosight Software (Shanxi) Co., Ltd. was acquired and established.

2023

Shanghai Baosight Intelligent Mining Information Technology Co., Ltd. was established; Shanghai Turin Smart Robot Co.,Ltd. was acquired.

Awards and Honors

Baosight has boosted high-end, green, intelligent and efficient development through excellent innovation and unremitting efforts, garnering several awards and honors.

March 2023

- Selected for the 2023 Shanghai Hardcore Technology Enterprises Top 100 List.

April 2023

- Named as a Leading Enterprise in the Industrial Internet Field of the Software Industry by the China Software Industry Association.
- Awarded the title of China Software Integrity Demonstration Enterprise 2022-2025.
- In collaboration with Shanghai University, Baosight successfully completed the project *High-Performance Magnetic-Controlled Super-Continuous Metallurgical Preparation Technology for Precision/Special Steel Materials*, winning the First Prize of the Shanghai Science and Technology Award for the year 2022.

May 2023

- The project *Industrial Internet Platform Deep Defense System Application Practice for the Steel Industry* was selected as a typical case in the 2023 Ministry of Industry and Information Technology (MIIT) Internet Security Depth Activity.

June 2023

- Received the third prize and an Excellent Organization Award for team performance at the National Network Security Skills Competition in 2023.

July 2023

- Selected by the Shanghai Economic and Information Commission as the 2023 Shanghai Manufacturing Industry Enterprise Digital Diagnosis Service Provider.
- Awarded the 2023 Shanghai Outstanding Contribution Unit in Network System Security.

August 2023

- Jointly selected by the software industry associations of Shanghai, Jiangsu, Zhejiang and Anhui provinces as the 2023 Yangtze River Delta Top 100 Software Enterprises.

September 2023

- The BaoLianDeng (xIn³Plat) was selected as a "Due-Cross" platform for the 2023 National Industrial Internet, consistently maintaining its position in the top tier.
- "The project *Research and Development of China Baowu Industrial Internet Platform* won the First Prize for Metallurgical Scientific and Technological Progress in 2023.
- Baosight Manufacturing Digital Platform was selected by the Shanghai Economic and Information Commission as the Shanghai Service-oriented Manufacturing Demonstration Platform.
- Awarded the 2022 Shanghai Pudong New Area Science and Technology Innovation Outstanding Contribution Award.
- Baosight received the 2022 Rail Expert Award - Intelligent Operations and Maintenance.

October 2023

- The BaoLianDeng (xIn³Plat) Industrial Internet platform was selected by the Shanghai Municipal Economic and Information Commission as the 2022 Shanghai Industrial Internet Benchmark Platform.

November 2023

- Baosight was successfully passed the National Development and Reform Commission's National Enterprise Technical Center re-evaluation and was rated as Excellent.
- Awarded the title of National Intellectual Property Demonstration Enterprise by the National Intellectual Property Office.
- Won the 2022 Golden Bull Most Valuable Investment Award.
- Remained at the top of the 2023 Shanghai Software Enterprises Core Competitiveness (Scale Model) list.
- The project *Key Technologies and Applications of High-Performance Intelligent Operation Control for Large Blast Furnace Ironmaking Systems* won the First Prize for Scientific and Technological Progress in Zhejiang Province in 2022.
- Baosight won first place in the 2023 Industrial Information Security Skills Competition in the Steel Industry Championship.
- Received the third prize in the Workers' Group of the Second National Industrial and Information Technology Skills Competition Industrial Internet Security Contest.

December 2023

- Selected for the 2023 Shanghai Software and Information Technology Services Top 100 Enterprises.
- Awarded the title of Advanced Collective in 2023 Integration of Digitization and Intelligent Standardization Work.

Honors

2022 Shanghai Software Core Competitiveness Enterprises (Scale Model)

First Prize for Metallurgical Science and Technology Progress in 2023

2022 Golden Bull Most Valuable Investment Award by China Securities Journal

2022 Leading Enterprise in the Industria Internet Field of the Software Industry

2023 National Intellectual Property Demonstration Enterprise

Baosight has always believed that excellent corporate governance is a solid foundation for long-term corporate growth. The Company is constantly improving the governance structure and system, enhancing governance capability, adhering to compliance and integrity, deepening the ESG governance system and actively listening to and responding to the concerns and expectations of diverse stakeholders, thus securing long-term and robust corporate growth.

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## Excellence in Governance, Upholding the Original Aspiration

Corporate Governance

Governance Structure

Baosight is committed to building a governance mechanism that is accurately positioned, with clear roles and responsibilities and effective checks and balances. It adheres to improving a high-standard, high-transparency and high-integration corporate governance architecture and governance system. The Company promotes the diversification of the board of directors, facilitating the exchange, supplementation and integration of multiple perspectives and industry experiences, enhancing the Board of Directors' ability to identify, assess and manage risks and opportunities when facing different challenges and driving efficient corporate reform and development.

Baosight attaches great importance to the diversified composition of the Board of Directors. In designing the Board's composition with diverse backgrounds in terms of geography, gender, education and work experience, the Company promotes the diversified integration and vitality of enterprise development. During the reporting period, the 11th Board of Directors of Baosight consisted of 11 directors, including 6 independent directors, of which 3 were female and 1 of the female independent directors had a background in risk management. The 11th Board of Supervisors consisted of 3 supervisors, including 2 female supervisors.

The independent directors on the Board of Directors play a significant role in the specialized committees under the Board. All members of the Audit Committee and the Remuneration and Assessment Committee are independent directors, effectively ensuring the independence and fairness of audits and assessments.
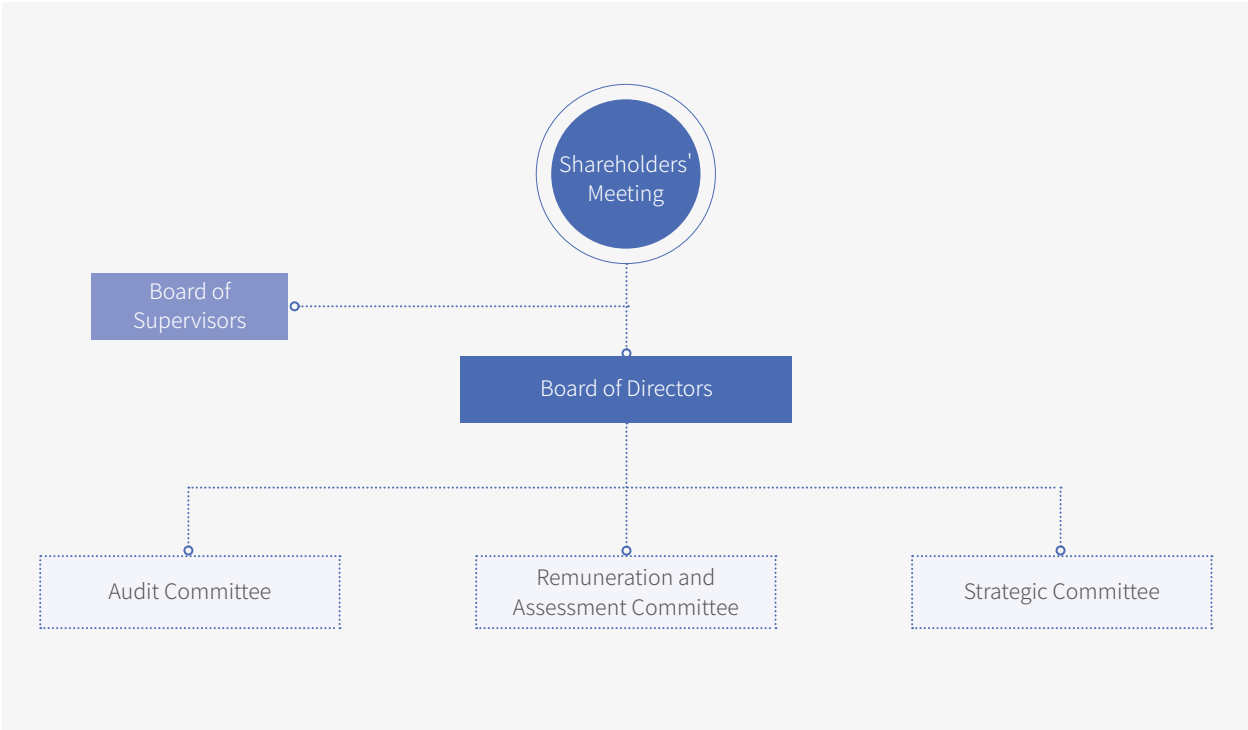
Baosight's governance structure

Compliant Operations

Baosight is committed to deepening the implementation of lawful and compliant operations, optimizing the construction of compliance management system and comprehensively enhancing the capability and level of legal governance as a central enterprise. The Company strictly complies with laws and regulations such as the *Listed Company Governance Guidelines* and the *Listed Company Investor Relations Management Guidelines*, revises management documents such as the *Compliance Management Measures*, providing guidance and basis for the Company's compliance governance. Baosight has established a working group for legal construction to comprehensively lead and promote the Company's legal construction. In addition, the Company has established a Compliance Management Committee to accelerate the improvement of regulatory compliance management, in a bid to ensure sustainable and healthy corporate development.

Baosight is committed to strengthening compliance management responsibilities, setting a target of 100% legal compliance audit rate for "regulations, economic contracts, important decisions." Furthermore, to comprehensively strengthen the Company's compliance management capabilities, Baosight enhances employees' awareness of legal compliance, deploy company-wide compliance management knowledge training, promotion and assessment and ensures all employees sign the *Commitment to Lawful and Compliant Operations*. During the reporting period, the

Company has obtained ISO 37301 compliance management system certification.

Certificate of ISO 37301 Compliance Management System for Baosight

Compliance Audit

Baosight continuously improves its audit supervision system, optimizes audit mechanisms and processes and establishes audit systems and management methods such as the *Internal Audit System, Internal Audit Implementation Management Measures* and *Follow-up Audit Management Measures* to provide detailed guidance and implementation guidelines for different audit contents. The Company sets reasonable and strict goals for audit work, aiming to achieve 100% internal control supervision evaluation coverage for all subsidiary companies at all levels by 2025.

| 2023: 40% | ▶ | 2024: 80% | ▶ | 2025: 100% |
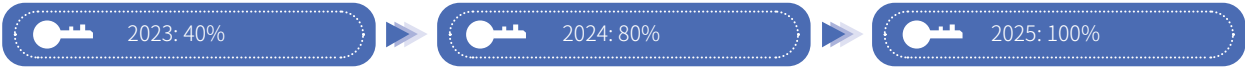
Baosight's internal control supervision evaluation coverage target

The Company adheres to optimizing internal audit processes, enhancing the efficiency of internal audits and improvements and establishing a sound long-term audit rectification mechanism.

Planning Phase	• Issue an audit notification letter prior to conducting the audit. • Develop a specific project audit plan.
Implementation Phase	• The audited entity should prepare and cooperate with the audit by making necessary preparations. • Utilize audit methods such as examination, sampling and analytical review to obtain sufficient, relevant and reliable audit evidence.
Reporting Phase	• Exchange audit opinions with the audited entity before issuing the audit report. • Submit the audit report to the Company's main person in charge.
Corrective Action Phase	• The audit department conducts follow-up audit supervision on various audit projects and issues corrective action notices. • Tracks progress in real time according to the corrective action plan timeline.

Internal audit process

Every year, in addition to conducting routine audits such as economic responsibility and financial expenditures, Baosight actively carries out special internal control audits and evaluations at all levels. This includes incorporating sustainable development elements such as safety, environmental protection, protection of employee rights and clean management into internal control evaluations, to meet the objectives of audit work requirements and promote the development of internal control capabilities.

ESG Governance

Baosight has started building its ESG governance structure and actively participated in ESG-related discussions with stakeholders. The ultimate authority for establishing the ESG management policies, plans and objectives as well as for overseeing development, managing risks and approving ESG disclosures at Baosight rests with the Board of Directors. Every department in the business serves as the entity responsible for carrying out daily ESG management tasks. The Company now links executives' compensation with sustainable development KPIs.

Major safety and environmental impact events will be taken into consideration during performance appraisals, which will impact the assessment.

Stakeholder Communication

The Company places high importance on active communication and collaboration with stakeholders, maintaining an open dialogue to fully understand their opinions and demands. The Company utilizes various communication channels, including performance explanation meetings held after regular report releases, dedicated phone lines for external inquiries, written correspondence, email correspondence, investor visits reception and external websites. Additionally, Baosight actively engages in face-to-face communication with stakeholders, valuing and considering investors' opinions and suggestions.
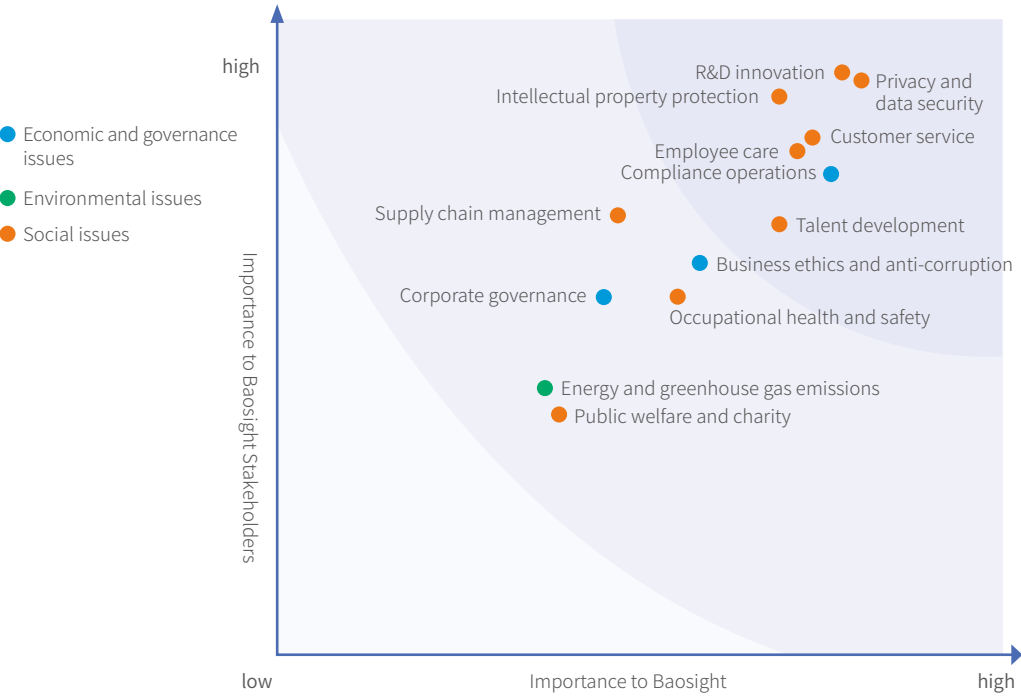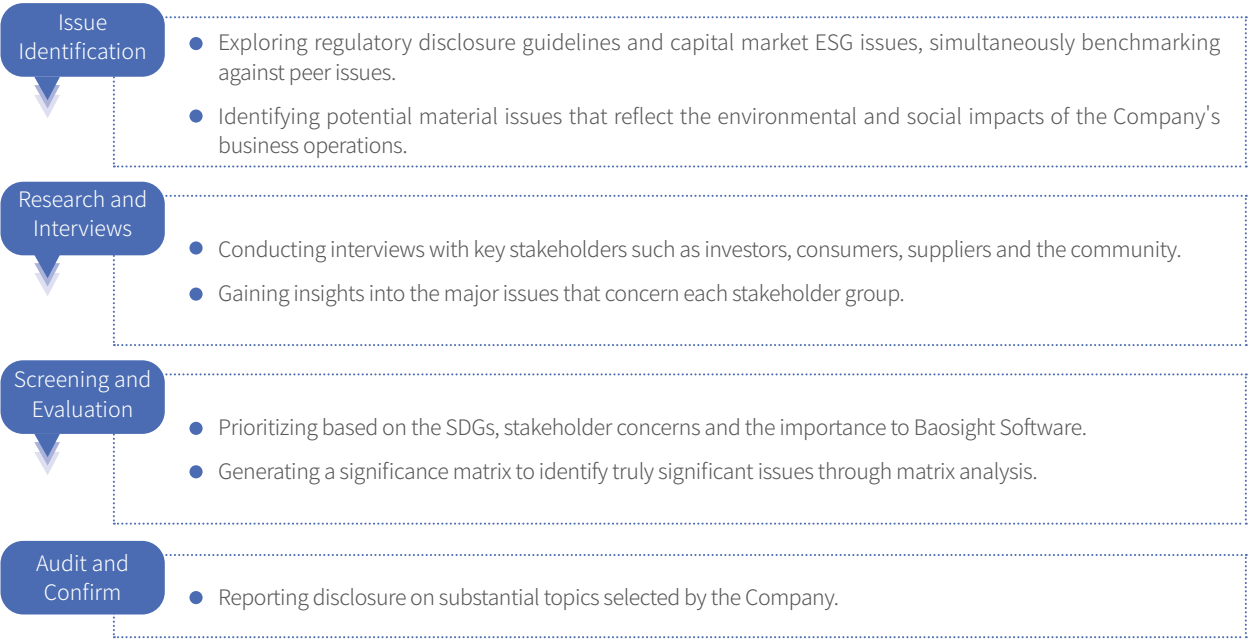
During the reporting period, the Company identified key stakeholders, including employees, shareholders and investors, government and regulatory agencies, suppliers, service providers, contractors, customers, communities, industry associations and research institutions. Baosight adopts specific and effective communication channels to listen to feedback and suggestions from different stakeholders, such as on-site surveys, meetings, forums, press releases and conferences.

Stakeholder Group	Concerns	Communication/Feedback Channels	
Employees	Employee care Talent development	Various employee activities Internal publications	Employee performance evaluation Multimedia (WeChat official account)
Shareholders and Investors	Corporate governance Business ethics and anti-corruption	Shareholders' meeting Investor meetings Performance announcement meetings	Press releases/Announcements On-site research Shanghai Stock Exchange Interactive E-platform
Government and Regulatory Agencies	Compliance operations	On-site research	Meetings
Suppliers, Service Providers and Contractors	Supply chain management	Supplier qualification audit	
Customers	Customer service Privacy and data security Research and development innovation	Customer satisfaction surveys Customer hotline	Official media platforms Customer conferences/User conferences
Community	Public welfare and charity	Press releases/Announcements	Various public welfare initiatives
Industry Associations and Research Institutes	Research and development innovation Industry collaboration	Industry associations	Exhibitions/Trade shows

Expectations and communication channels of various stakeholders

Material ESG Issues

Baosight thoroughly examines material ESG issues using approaches such as reviewing media reports, benchmarking against peers, conducting in-depth interviews and adhering to international norms for ESG disclosure. The Company conducts stakeholder surveys to prioritize material ESG issues, discusses them with management and creates a matrix of material issues. This matrix has 13 material ESG issues, with seven being highly significant and six being moderately significant.

Issue Identification
- Exploring regulatory disclosure guidelines and capital market ESG issues, simultaneously benchmarking against peer issues.
- Identifying potential material issues that reflect the environmental and social impacts of the Company's business operations.

Research and Interviews
- Conducting interviews with key stakeholders such as investors, consumers, suppliers and the community.
- Gaining insights into the major issues that concern each stakeholder group.

Screening and Evaluation
- Prioritizing based on the SDGs, stakeholder concerns and the importance to Baosight Software.
- Generating a significance matrix to identify truly significant issues through matrix analysis.

Audit and Confirm
- Reporting disclosure on substantial topics selected by the Company.

ESG Materiality Issues Matrix

Integrity Management

Baosight attaches great importance to anti-corruption efforts, continuously strengthens supervisory capabilities, innovates supervisory methods and consistently conducts management, inspections and risk prevention related to anti-corruption work. This effectively promotes the establishment of a clean and ethical working environment for long-term governance.

Integrity Construction

Baosight strictly regulates the requirements for clean and ethical conduct, establishing a series of anti-corruption management systems that clarify the management structure, reporting process, reporting channels and protection of whistleblower rights in anti-corruption management. Each department and subsidiary of the Company implements specific measures to combat corruption, with the Discipline Inspection and Supervision Department working jointly with the Legal Affairs and Compliance Department, Audit Department and other functional departments to conduct supervision, investigation of clues and handling of corruption-related issues. Baosight has established an open and transparent reporting channel for anti-corruption matters, promptly investigating received reports or potential clues related to corruption. In accordance with the *Rules for Handling Reports and Accusations by Discipline Inspection and Supervision Organs*, strict measures are taken to protect the anonymity of whistleblowers, ensuring their rights are safeguarded. For substantiated reports that significantly contribute to addressing issues or preventing major economic losses, rewards may be given to whistleblowers as stipulated.

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Whistleblowing channel for anti-corruption

In the procurement process, Baosight requires all suppliers and procurement staff to sign a commitment to anti-corruption and anti-fraud principles, including the *Integrity Agreement* (double signing of integrity agreements for material procurement, project contracts and integrity agreements) to eliminate corruption incidents from the source in the procurement process.

Integrity Education

To strengthen anti-corruption risk prevention and control, Baosight insists on integrating discipline education as an important part of the "Three No's against Corruption" mechanism, namely "not daring to be corrupt, not being able to be corrupt and not wanting to be corrupt," regularly conducting warning education and training, continuously promoting the requirements of integrity in employment and building an integrity "firewall." During the reporting period, Baosight organized 26 special anti-corruption and integrity promotion lectures, covering leaders at all levels, managers and key employees. Additionally, the Company set up an "Integrity in Employment" section on the intranet, compiled educational materials on various types of violations and disciplinary issues and distributed them to all departments for organizing company-wide learning and discussions.

Conducting specialized anti-corruption training activities: Enhancing the anti-corruption awareness of management personnel

During the reporting period, all disciplinary inspection personnel of Baosight, as well as various levels of management and personnel in sensitive positions, participated in the online specialized training course on "Preventing Crimes by Leading Cadres in State-Owned Enterprises." The pass rate for the training exam was 99%. Additionally, all disciplinary inspection personnel participated in the online specialized course on "Interpreting the Spirit of the Second Plenary Session of the Central Commission for Discipline Inspection and Improving the Performance of Disciplinary Inspection and Supervision Cadres." The pass rate for the training exam was 100%.

Risk Management

In the face of a complex and ever-changing market environment, Baosight adheres to improving its risk operation management. The Company deepens risk prevention and control at all levels, forming a comprehensive risk prevention and control mechanism to promote the solid enhancement of the risk control system.

To standardize comprehensive risk management at Baosight, clear objectives, basic principles, work processes and corresponding management requirements are defined in the *Comprehensive Risk Management System* established by the Company, which provides explicit regulations for risk management procedures. The Company compiles a comprehensive risk management report annually, identifying and establishing response mechanisms for key risks faced by the Company. Baosight has developed a management structure led by the Operations Improvement Department, with collaboration from various departments and subsidiaries, to comprehensively implement risk prevention and response measures.

During the reporting period, Baosight identified and selected key business areas and prominent risk points based on risk prediction analysis, aligned with the Company's development strategy and operational objectives and determined the major risks for the year. For each major risk, corresponding risk prevention and control mechanisms and measures were promptly established to proactively mitigate risks at their source.

Baosight continues to increase investment in product research and development, fully leveraging resource advantages to support digital and intelligent transformation and green development across various industries. The Company also emphasizes product promotion and customer experience, practices responsible marketing, improves data privacy protection and builds a sustainable supply chain. These efforts aim to continuously enhance customer satisfaction.
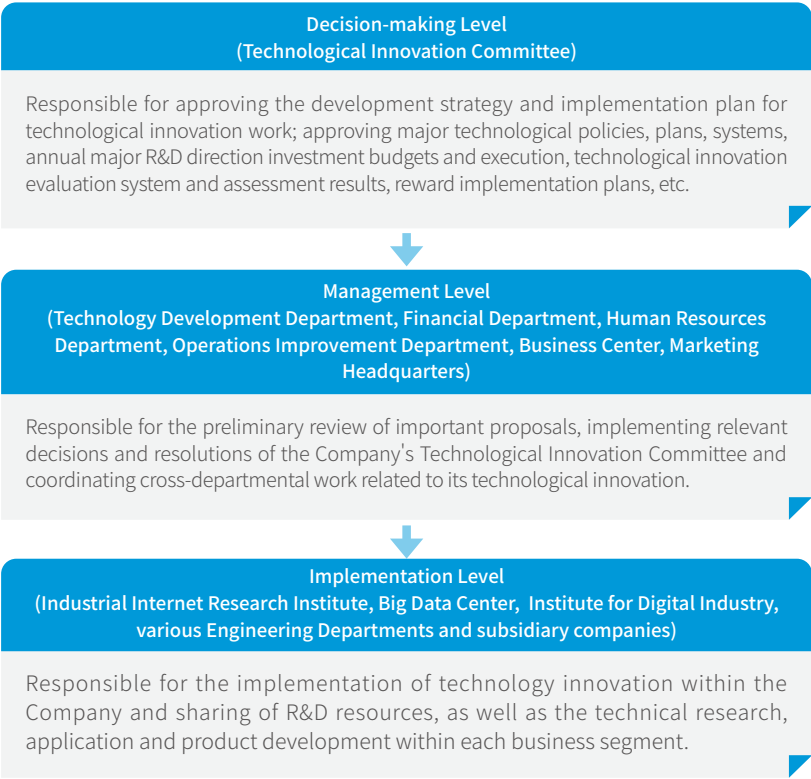
02

Quality-Based, Pioneering Innovation
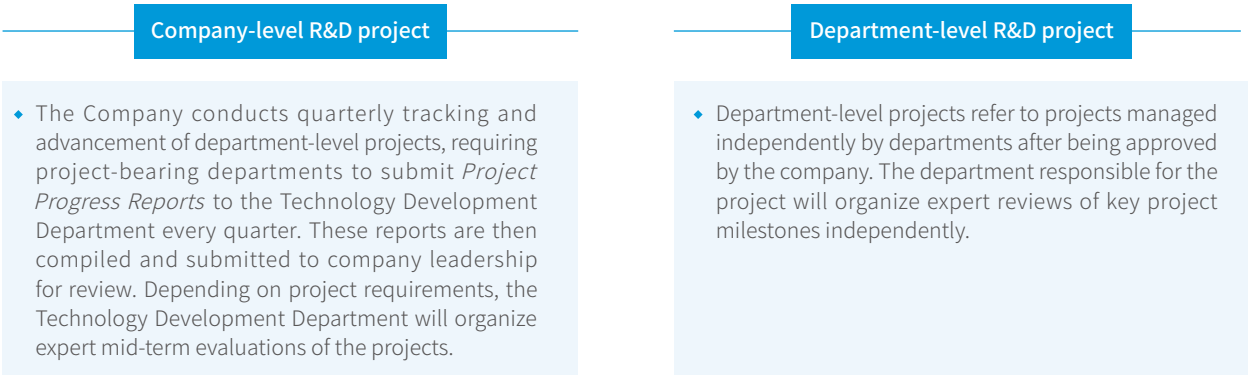
Product Innovation

R&D Management

Baosight adheres to the "one headquarters, multiple bases" control mode for technical research and development collaboration. The Company has formulated management systems such as the *Research and Development Project Management Method* and *Self-Owned Product Management Measures* to standardize internal research and development project processes and clarify the responsibilities of relevant departments. Baosight has established a technical innovation management framework and all relevant units are conducting technical innovation research and development work in an organized manner based on the Company's unified deployment.

Decision-making Level
(Technological Innovation Committee)

Responsible for approving the development strategy and implementation plan for technological innovation work; approving major technological policies, plans, systems, annual major R&D direction investment budgets and execution, technological innovation evaluation system and assessment results, reward implementation plans, etc.

Management Level
(Technology Development Department, Financial Department, Human Resources Department, Operations Improvement Department, Business Center, Marketing Headquarters)

Responsible for the preliminary review of important proposals, implementing relevant decisions and resolutions of the Company's Technological Innovation Committee and coordinating cross-departmental work related to its technological innovation.

Implementation Level
(Industrial Internet Research Institute, Big Data Center, Institute for Digital Industry, various Engineering Departments and subsidiary companies)

Responsible for the implementation of technology innovation within the Company and sharing of R&D resources, as well as the technical research, application and product development within each business segment.
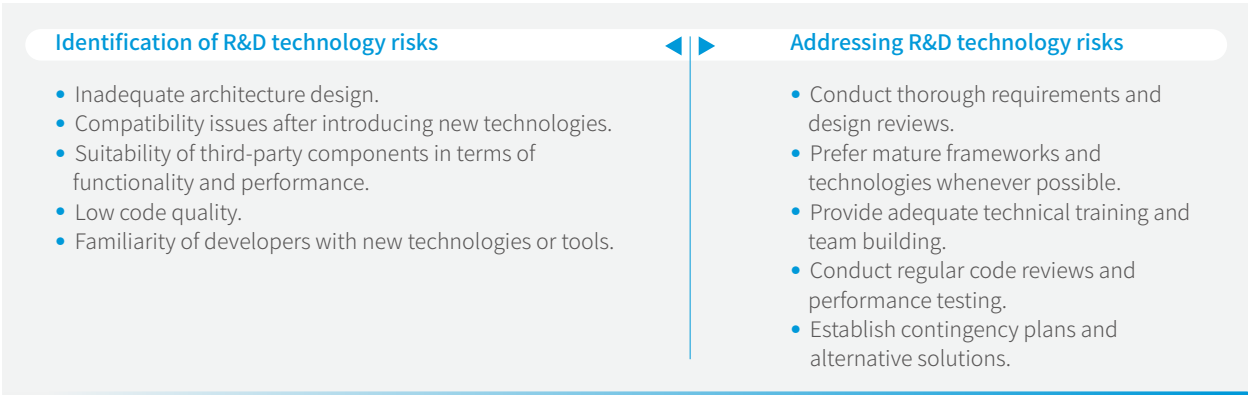
Technology innovation management framework

R&D Risk Management

The Company conducts expert reviews to control the quality and risks of research and development projects. The project review mainly focuses on the progress of the project, allocation of human resources and budget and any significant changes in project content and timelines. The project team responds to the expert review feedback and makes necessary changes or adjustments based on the review findings. By strictly adhering to the research and development project management process, the company effectively reduces project risks.

Company-level R&D project	Department-level R&D project
• The Company conducts quarterly tracking and advancement of department-level projects, requiring project-bearing departments to submit *Project Progress Reports* to the Technology Development Department every quarter. These reports are then compiled and submitted to company leadership for review. Depending on project requirements, the Technology Development Department will organize expert mid-term evaluations of the projects.	• Department-level projects refer to projects managed independently by departments after being approved by the company. The department responsible for the project will organize expert reviews of key project milestones independently.

R&D project tiered review

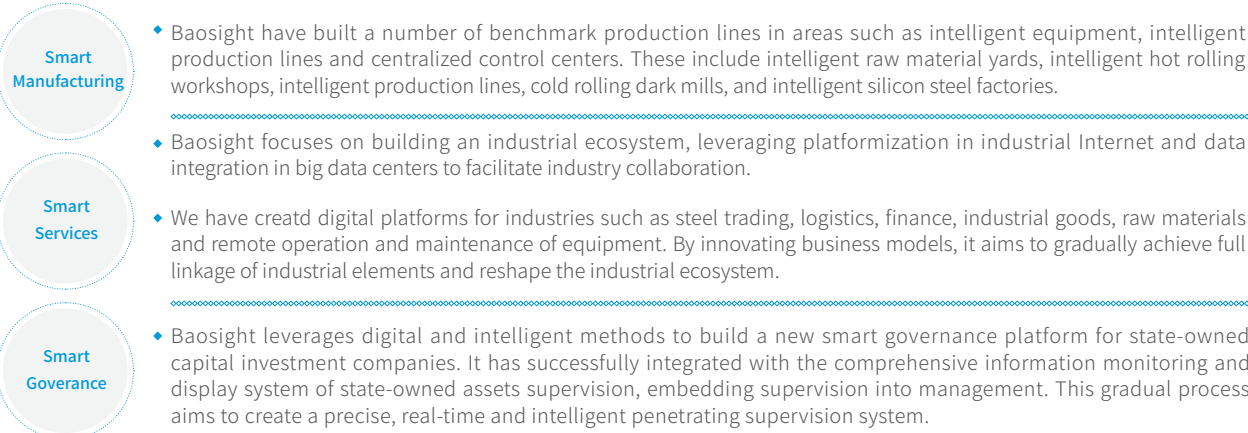| Identification of R&D technology risks	Addressing R&D technology risks
• Inadequate architecture design. • Compatibility issues after introducing new technologies. • Suitability of third-party components in terms of functionality and performance. • Low code quality. • Familiarity of developers with new technologies or tools.	• Conduct thorough requirements and design reviews. • Prefer mature frameworks and technologies whenever possible. • Provide adequate technical training and team building. • Conduct regular code reviews and performance testing. • Establish contingency plans and alternative solutions.

R&D technology risk management

R&D Investment

In 2023, the Company's key research and development focus areas include platforms, big data, AI[2], PLC, industrial robots, etc. The total R&D investment amounted to RMB 1.454 billion, accounting for 11.25% of the operating income, representing an increase of 0.36 percentage points year-on-year. In the future, Baosight will further increase investment in clean tech to support the research and development as well as business expansion in clean technology.

Baosight has strived to establish and improve incentive mechanisms that are aligned with the industry characteristics and talent structure. In the research and development department, there is a further emphasis on linking compensation with performance, ensuring that high-performing R&D personnel receive fair rewards. In addition to government-related talent support subsidies, Baosight has also formulated the *Technical Innovation Evaluation and Reward Management Measures* to incentivize employees for technical innovation. This system categorizes the Company's technical innovation rewards into four types and clearly defines the reward mechanism.

Product Innovation

Baosight focuses on product development in the fields of informatization and automation. During the reporting period, the Company actively explored the integration of next-generation information technology with traditional industries, aiming to create innovative applications and lead industry development under the theme of "Triple Wisdom - Smart Manufacturing, Smart Services, Smart Governance." Through its subsidiary, Baosight Energy, concentrated on the digitalization and intelligent development within the comprehensive energy industry system. It provided services such as comprehensive energy platform construction, electricity and carbon trading agency, energy hosting and overall energy-saving solutions. Additionally, the Company invested in demonstration projects involving distributed photovoltaic, energy storage stations, park photovoltaic storage and microgrid construction.

Smart Manufacturing
◆ Baosight have built a number of benchmark production lines in areas such as intelligent equipment, intelligent production lines and centralized control centers. These include intelligent raw material yards, intelligent hot rolling workshops, intelligent production lines, cold rolling dark mills, and intelligent silicon steel factories.

Smart Services
◆ Baosight focuses on building an industrial ecosystem, leveraging platformization in industrial Internet and data integration in big data centers to facilitate industry collaboration.
◆ We have creatd digital platforms for industries such as steel trading, logistics, finance, industrial goods, raw materials and remote operation and maintenance of equipment. By innovating business models, it aims to gradually achieve full linkage of industrial elements and reshape the industrial ecosystem.

Smart Goverance
◆ Baosight leverages digital and intelligent methods to build a new smart governance platform for state-owned capital investment companies. It has successfully integrated with the comprehensive information monitoring and display system of state-owned assets supervision, embedding supervision into management. This gradual process aims to create a precise, real-time and intelligent penetrating supervision system.

Applications that integrate information technology with traditional industries built by Baosight Software

[2] Artificial intelligence.

Smart manufacturing: Construction of Bensteel centralized control center

Baosight has assisted in the construction of the Smart Manufacturing Center at Bensteel's Iron and Steel Total Plant. Through remote centralized operation monitoring and integrated intelligent control system, the collaboration between processes and production stability has been significantly enhanced, effectively improved the productivity of operators.

Leveraging computer-based applications, smart operation systems, intelligent blast furnace operation systems, digital molten iron and other innovative applications within the Smart Manufacturing Center, it is possible to support process production, enhance system efficiency and reduce ironmaking energy consumption. This leads to considerable economic and social benefits.
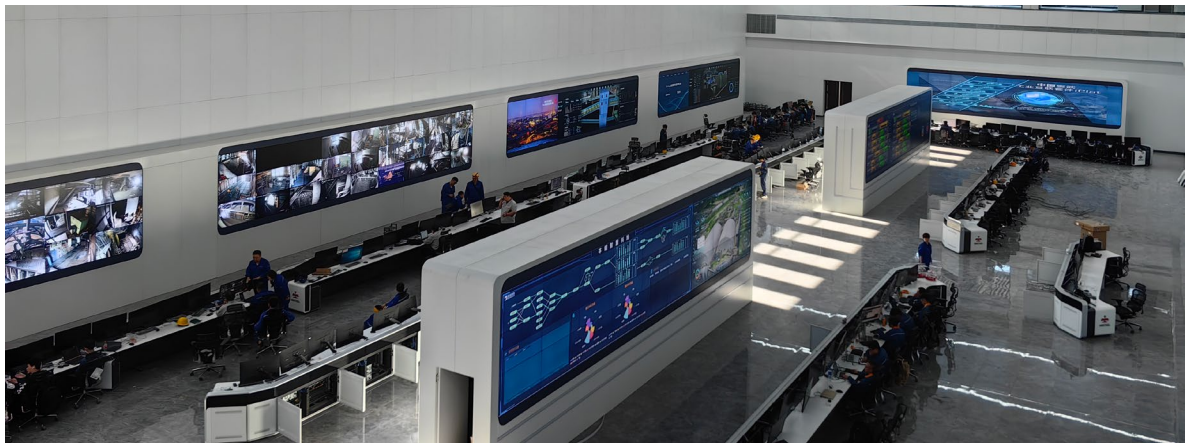
Remote centralized operation monitoring room

Smart Services: China Baowu Group's Smart Human Resources System (BWHR)

Baosight has developed BWHR, providing comprehensive human resources services to clients through productization and cloud services. These services include organization management, core personnel, recruitment planning, contract management, remuneration and benefits, tax management, Party fee management, labor cost and online payment.

To improve employee satisfaction and reduce resource waste caused by paper material circulation, BWHR has also launched functions such as employee income certification, employee departure visa and electronic labor contracts. This facilitates electronic process management, reduces paper usage and lowers labor costs associated with manual handling.

Smart governance: Group-penetrating supervision system

Baosight utilizes big data and artificial intelligence technology to establish a comprehensive system, standard and logic. Based on the integration of internal and external data as well as various business rules, the Company conducts thorough risk prevention and supervision on the three-tier operational systems of "capital operation" ,"asset management" and "production operation" for group-type companies. This enhances the modern governance capability of enterprises.

During the reporting period, the major awards received by Baosight in product research and development were as follows:

Year	Award Highlights
2023	Baosight MES software was selected for the 2022 Excellent Industrial Software Products list by the Ministry of Industry and Information Technology.
	Three products from Baosight, including the *Steel Enterprise Industrial Information Security Operations Center Construction Solution* ,*Steel Enterprise Full Process Data Governance Architecture Solution* and *Intelligent Stockyard Supporting Stacker and Reclaimer Unmanned System* were awarded 2022 Outstanding Solutions for Intelligent Manufacturing in the Steel Industry.
	Two products, *Baosight Process Quality Control Software* and *Baosight Enterprise Safety Production Management Software* were were recognized by the 2022-2023 Excellent Innovation Products Recommended Catalog by the China Federation of Electronics and Information Industry.
	The joint submissions with Baosteel, *Hot Rolling 1+N* and *Smart Molten Iron Transportation* won the second and third prizes at the Fourth Intelligent Manufacturing Innovation Competition organized by the China Iron and Steel Association.
	The *project Baosight Cold Rolling Intelligent Scheduling System* won the second prize at the 2023 Industrial Software Innovation Case Competition organized by the Shanghai Industrial Internet Association.
	Three products, *Baosight Chemical Production Execution Software V1.0* ,*Baosight Technology Innovation Management Software V2.0* and *Baosight Cold Rolling Multi-Dimensional Data Alignment Software V1.0* were selected as Outstanding Software of 2023 by the China Software Industry Association.
	The *Baosight xIn³Plat-Control Software* was recognized as a Leading Industrial Software at the 2023 National Industrial Software Conference.
	Baosight's project for Baosteel's Intelligent Molten Iron Transportation System was listed on the 2023 *Fortune* Most Influential IoT Innovation List.

Resource Efficiency Enhancement Products

Leveraging its expertise in informatization, automation and digital intelligence, the Company utilizes its strengths to fully promote process optimization and lean management in manufacturing enterprises, with steel companies as representatives. Through smart manufacturing, the goal is to improve resource utilization efficiency and achieve maximum value from resources.

Hydrogen tail gas recovery project

In June 2023, the hydrogen tail gas recovery project at the Baosteel Xinjiang Bayi Iron & Steel Co., Ltd.' Rolling Mill, undertaken by Baosight, was successfully put into operation. This project involves the recovery and treatment of waste hydrogen gas emitted by the hood-type furnace, filtering and purifying the hydrogen tail gas back to the hood-type furnace unit. The core equipment of the project, the hydrogen recovery unit, was designed and supplied by Baosight. Additionally, the Company carried out adaptability modifications to the hood-type furnace software, implemented unified monitoring of the hydrogen recovery equipment and hood-type furnace and significantly improved the efficiency of hydrogen gas usage. According to calculations, after the hydrogen recovery unit is put into operation, the hood-type furnace can achieve over 70% hydrogen gas recycling, saving approximately 840,000 cubic meters of hydrogen gas annually and reducing carbon dioxide emissions, leading to significant economic and social benefits.

Hydrogen recovery hood-type furnace unit

Hot blast stove technology optimization project

Baosight has independently developed hot blast stove optimization software, which employs fuzzy reasoning and adaptive techniques to autonomously overcome external fluctuations during different furnace stages. This software achieves automatic adjustment of furnace control strategies, quick optimization through air-fuel ratio and flow optimization control. With minimal equipment requirements and relying solely on conventional detection instruments, this product ensures that the furnace process remains in the optimal combustion state, leading to increased air supply temperature or reduced gas consumption. This contributes to the goal of low-carbon energy conservation and cost reduction in the iron smelting process. With this product, energy savings of over 4% can be achieved and a single blast furnace hot blast stove can save more than 13 million cubic meters of blast furnace gas per year.

Efficient utilization project of heating furnace gas

Baosteel's hot rolling plant has furnaces across three production lines, all of which use mixed gas for heating. Due to the significant differences in gas consumption during high and low loads, as well as during fixed repair periods, the fixed calorific value and gas pressure cause inadequate heating capacity during high loads. Conversely, during low loads, issues such as unbalanced air-fuel ratio or minimum gas consumption restrictions prevent the furnace temperature from dropping to the minimum insulation temperature, resulting in gas wastage.

Baosight, through adaptive modification of the control system software for each gas station, enables each heating furnace to automatically match and adjust gas supply at different calorific values, pressures and minimum flow rates under different production conditions, thereby improving combustion efficiency.

Gas station control system interface

Smart water ecology management project

The Baosight water ecology system, which includes water distribution, water balance, water tracking, water planning, water quality, water cost and other business management aspects, creates a dynamic tracking system for the entire process of water collection, production, supply, use and drainage by establishing a water system operation data model, resulting in intelligent control from the source.

The system combines digital monitoring with intelligent applications to deliver comprehensive and seamless smart solutions for energy generation, data organization, equipment management, remote diagnosis, digital simulation and other business requirements. This integration improves process visibility, system scalability and intelligent manufacturing.

Water ecology system operational mode

Intellectual Property Protection

Baosight has established the *Intellectual Property Rights Management Measures* to comprehensively implement the protection and management of intellectual property rights during the process of technological innovation, safeguarding the legitimate rights and interests of the Company and its employees. During the reporting period, the Company applied for 196 patents and was granted 62 patents. These patents included:

A Real-Time Monitoring and Early Warning System and Method for Iron Desulfurization Process

An Industrial Big Data Visualization System and Method

Automatic Control System and Method for Internal Combustion Locomotives in the Factory Area

Part of creation patents

Driving Industry Development

Baosight focuses not only on its own development but also on advancing the industry as a whole, assuring consistent improvement.

Participation in Industry Associations

Baosight actively engages in relevant industry associations and societies. As of the end of the reporting period, the Company has joined a total of 68 industry associations, societies and alliances. It also holds positions such as chairman, director, or vice chairman in some of these associations. Leveraging its core position in the industry, the Company organizes and collaborates with industry associations to carry out policy advocacy, foundational research and technical studies. This plays a crucial role in formulating, publishing and implementing national policies. Additionally, through these associations, the Company actively presents industry demands to the government, assists peer enterprises in addressing operational challenges and contributes to driving scientific development in the industry.

The technical alliances and associations that the Company has joined in the past two years:

Industry Level
- National Steel Industry Intelligent Manufacturing Alliance
- China Association for Geospatial Industry and Sciences
- Slag Powder Application Branch of China Building Materials Market Association
- China Association for Public Companies and its Information and Digitalization Professional Committee
- Informationization Professional Committee of China Association of Metros

Municipal Level
- Shanghai Data Service Provider Association
- Shanghai Pharmaceutical Profession Association
- Shanghai Mechanical Engineering Society Logistics Engineering Professional Committee
- Shanghai Enterprise Technology Center Innovation Alliance

Innovation Center and Working Committees
- Energy Industry Internet of Things Joint Innovation Center led by China Academy of Industrial Internet
- Data Dictionary Working Committee led by China Electronics Standardization Institute
- TC28 Convergence Technology and Application Standards Working Group of the National Information Technology Standardization Committee

Industry Standards Development

We have participated in the development of a series of standards led by the China Electronics Standardization Institute, including the *Digital Transformation Roadmap for Manufacturing Industry*. We took the lead in drafting standards such as *System and Software Engineering - Functional Size Measurement MkII Function Point Analysis Method*, *Functional Architecture for Industrial Internet Applications in the Steel Industry* and *Requirements for Construction of Intelligent Factory Centralized Control Centers in the Steel Industry*. These standards are at the forefront of the industry and propose an Industrial Internet architecture of "cloud, edge and endpoint" that emphasizes cloud-endpoint collaboration, integrated management and the convergence of IT and OT, thus leading the industry's development. During the reporting period, we participated in the release of 9 national standards, contributed to 4 national standards for industrial Internet platforms and collaborated on one national standard for the integration of informatization and industrialization. Additionally, the Company coordinated the initiation of two industry standards and was recognized as an advanced collective by the TC573 National Informationization and Industrial Convergence Management Standardization Technical Committee in 2023.

Building an Industrial Ecosystem

We prioritize customer-centricity and service excellence as the core principles in its approach to building an industrial ecosystem. With the focus on integrating with both upstream and downstream partners in the industry chain, we foster a collaborative and shared ecosystem that enables the seamless development of enterprises of all sizes within and outside the industry.

Common industry technology research

- Relying on the industrial Internet platform, conducting common technology research, including cloud computing, big data, artificial intelligence, blockchain, Internet of Things, robotics, etc.

- Typical representative: BaoLianDeng xIn³Plat industrial Internet platform

Construction of public research platforms

- Completing the full life cycle management of software through efficient and automated toolchain collaboration, achieving widespread application

- Typical representative: DevOps development ecosystem construction

Baosight enhances industry technical capabilities through public platforms

Building an industrial ecosystem platform

- Relying on the industrial Internet platform, accelerating the digital transformation of SMEs enterprises through business model innovation

- Typical representatives: Ou Ye Industrial Products Co., Ltd.'s industrial supply chain ecosystem platform, etc.

Innovating the "Base + Satellite Factory" model

- By using the base as a standard production template, large manufacturing enterprises can quickly replicate their manufacturing capabilities to satellite bases, achieving high-level integration of business flow, information flow, logistics and fund flow and promoting the common development of large, medium and small enterprises

- Typical representatives: Ou Ye Chain Gold Renewable Resources Co., Ltd.'s smart platform, Guangdong Zhongnan Iron and Steel Co., Ltd.'s network factory, etc.

Baosight's construction of industrial ecology helps the development of SMEs

Data Security and Privacy Protection

Data Security

Baosight places a high priority on data security and continually strengthens its data protection capabilities and applications to provide comprehensive data security assurance for customers and itself.
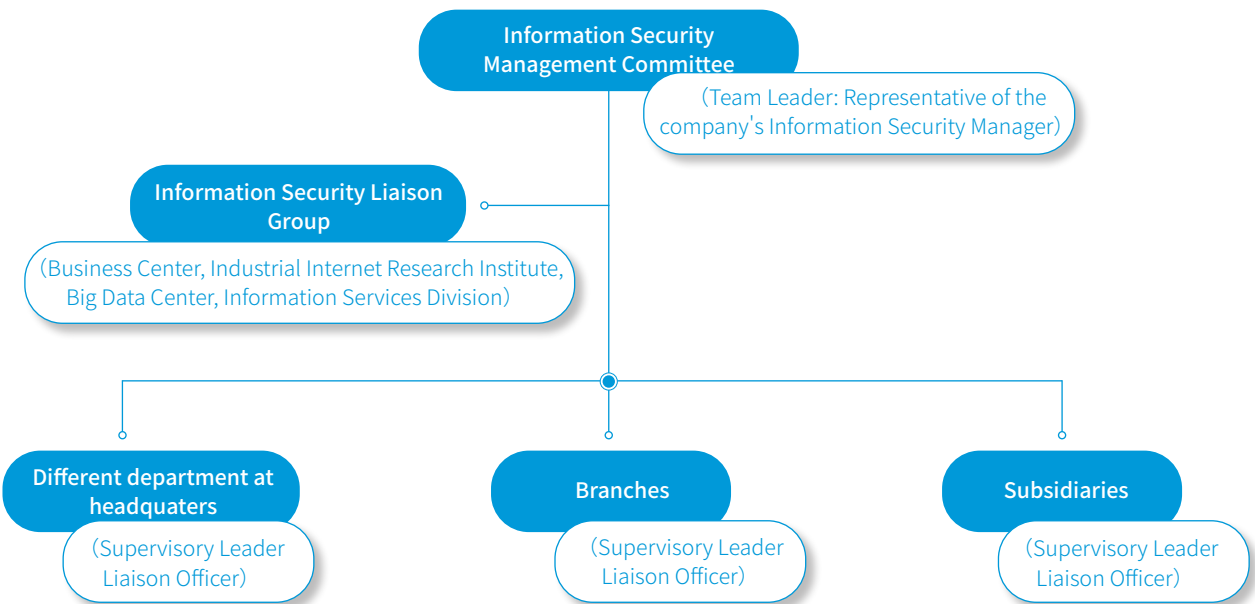
Information and Data Security Management

Baosight prioritizes the development of network and data security capabilities. The Company strictly adheres to legal requirements such as the *Cybersecurity Law of the People's Republic of China*, *Data Security Law of the People's Republic of China* and *Personal Information Protection Law of the People's Republic of China* and has implemented an effective data security management system. The Company has developed various regulations and procedures related to information security and data protection, including the *Information Security Management Responsibility Procedure*, *Network Security Management Measures*, *Information Asset Identification and Classification Management Procedure*, *Information Asset Risk Assessment and Management Procedure*, *Information Identification and Handling Procedure*, *Access Control Management Procedure* and *Network Access Management Measures of Baosight*. These regulations and procedures manage data protection and information security across the Company's whole business scope, constantly upgrading data security protection systems.

Baosight has established an Information Security Management Committee as the highest decision-making body for information security management. The Vice President of the Company serves as the highest management level for information security work, overseeing the operation of the Company's overall information security management system.

The committee has set up an Information Security Liaison Group, which is responsible for the daily maintenance and management of information security, as well as reporting and handling information security issues. In addition, each department at the headquarters and each subsidiary company are responsible for the effective implementation of information security and management systems. The Company continuously monitors the data security of internal systems and network platforms and regularly publishes the *Baosight Security Monitoring Monthly Analysis Report*.

Information Security Management Committee
（Team Leader: Representative of the company's Information Security Manager）

Information Security Liaison Group
（Business Center, Industrial Internet Research Institute, Big Data Center, Information Services Division）

Different department at headquaters
（Supervisory Leader Liaison Officer）

Branches
（Supervisory Leader Liaison Officer）

Subsidiaries
（Supervisory Leader Liaison Officer）

Information security management framework of Baosight

Protection Technology Deployment

Baosight adopts multiple access control and data encryption measures to protect sensitive data. Network encryption transmission or data decryption processing is applied to customer information and important data.

Access Control

- Based on the Industrial Internet Platform Suite, develop access authorization functions for pages, buttons, tables, APIs and other objects.
- Develop row-level authorization functionality based on the built-in permission management feature of db2.
- Develop authorization access functions for time-series data and unstructured data based on the built-in permission management features of TSDB and OSS.
- Our important information systems and websites have been integrated into China Baowu's unified authentication system. User accounts and authorizations are based on the unified Baowu Pass account, with authorizations tailored to the "minimum necessary" based on business requirements.

Sensitive Data Protection

- Data storage encryption technology based on cloud access security proxies. By deploying plugins and intercepting parsing methods, sensitive data is encrypted before being stored in the database.
- Data desensitization technology based on cloud access security proxies. By deploying plugins and intercepting parsing methods, sensitive data is desensitized before being displayed in the front end.

Audit and Certification

Baosight conducts data security audits at least once a year to comprehensively identify information security risks. Based on the audit results, security vulnerabilities are assessed to urge departments to promptly rectify and enhance them, forming a closed-loop information security management system. Additionally, the Company actively engages in information security certification work. Currently, it has obtained ISO/IEC 27001:2013 Information Security Management System certification and undergoes annual system reviews. Furthermore, several information systems of Baosight have obtained Shanghai's Level 3 protection record for information system security.

ISO/IEC 27001:2013 Information Security Management System certification

Emergency Response Mechanism

Baosight has established a mature organizational command system to prevent major information security incidents and ensure efficient and timely response to emergencies. The system is led by company leaders, with participation from relevant functional departments and subsidiaries in network attack and defense drills. Additionally, the Company has set up a network security situation awareness platform to monitor and warn 24 hours a day on information infrastructure, internet exits, etc. Through regular operations, it can promptly detect and dispose of security risks. During the reporting period, the Company conducted two information security drills without any major incidents occurring.

Security drill activities

In July 2023, Baosight conducted the cybersecurity attack and defense drills and responded quickly to network attacks detected through the cybersecurity situational awareness platform, following the principle of "contain first, analyze later." It accelerated emergency response, coordinated defense and blocked IP attack sources. While swiftly handling the incident, we also analyzed the detected events, identified the attacker's intrusion path and conducted tracing and evidence collection. It combined real-world exercise command with normalized operational procedures.

Information Security Culture Development

Baosight regularly conducts information security and data protection empowerment training for all employees to ensure their understanding and compliance with relevant policies. The Company implements information security advocacy through various forms such as offline thematic seminars and training, online classrooms and more, encouraging full participation from all employees. The training content includes network security awareness, personal information protection, information security risk prevention and more, serving as a guardian for the Company's information security.

In 2023

the Company conducted multiple information security training sessions with an average training duration of

16.5hours

per person

Information Security Online Training in 2023

In accordance with the requirements of the Information Security Management System and the Network Security Management System, Baosight organized annual online training on network security and specialized training on cybersecurity attack and defense exercises during the reporting period. The Company focused on topics such as cybersecurity awareness, personal information protection and information security risk prevention to continuously enhance employee awareness.

Network security training

Privacy Protection

Baosight firmly believes that customer privacy protection is the cornerstone of building trust with all parties. The Company places great importance on user privacy protection and has established a comprehensive privacy data management system, as well as formulated the *Privacy Policy*. This ensures the effective protection of user rights, including access rights, deletion rights, correction rights and control over personal privacy data.

Personal Privacy Protection

- Personal data accessed by developers and testers undergo desensitization processes to protect sensitive information.
- Individuals have the right to opt out of third-party information sharing, as well as the right to access, rectification, and delete their personal information and data-related content.

User Consent

- Provide user personal privacy protection service agreement and related content. After the user reads and agrees, they can proceed with relevant operations and usage.

Minimize Data Collection and Retention to the Maximum Extent Possible

- According to specific user needs and project circumstances, we establish corresponding retention periods and mechanisms while adhering to the principle of minimal collection.
- We commits to not collecting personal data from third parties except as required by law.
- We implement appropriate controls over personal information data, ensuring that personal data is only retained on personal terminals and subject to data circulation monitoring.
- For information assets belonging to the Company, we collect data according to the "minimal necessary" principle and retain it according to the "minimal time" principle.
- We set retention periods based on Baosight's *Privacy Policy* and legal requirements, deleting personal information immediately upon account cancellation or termination of operations.

Privacy Protection Measures

In addition, Baosight also requires suppliers to adhere to high standards of privacy protection requirements. The Company includes clauses related to confidentiality in equipment procurement contracts and mandates that all outsourcing services must sign security and confidentiality agreements as attachments to the procurement contracts.

Party B shall not use any confidential information obtained or mastered from Party A, whether orally or in writing, during the performance of its duties, to engage in any activities unrelated to the work. The Second Party shall also properly keep and safeguard any written confidential materials it may come into contact with. Any confidential information must not be disclosed or allowed to be used by third parties.

Party B shall not in any form duplicate materials and information that belong to confidential content, nor shall it use materials and information of confidential content in any form for personal or business operations.

The confidentiality obligations of Party B shall not be eliminated due to the termination or modification of the cooperation relationship between the two parties. Party B shall ensure that Party A is not subject to any third-party claims of intellectual property infringement when using its products, services, or any part thereof. If any third party makes an infringement claim, Party B shall negotiate with the third party and bear all legal responsibilities and expenses arising therefrom.

Confidentiality and Infringement Clauses in Equipment Contracts

Responsible Supply Chain

The Company recognizes the importance of responsible supply chain management in providing quality services and promoting business development. Baosight attaches great importance to collaborative development with suppliers, adheres to the principles of fairness and transparency in cooperation, builds solid partnerships and jointly builds a value chain ecosystem for cooperation and mutual benefits, leading to the sustainable development of the industry chain.

Supplier Management

Baosight strictly adheres to relevant laws and regulations in its operating locations. The company has established multiple management systems such as *Supplier Management Regulations*, *Tender Management Regulations* and *Engineering Project Supplier Management Rules*. Through systematic and standardized methods, the Company manages suppliers comprehensively, including the entire life cycle management process of supplier access, evaluation confirmation and termination of cooperation, continuously empowering the development of the supply chain.

Supplier access

- Having legal person status, except for special industries.
- Special products must hold a special product manufacturing license issued by the relevant national department.
- Possess the professional qualifications required to undertake the business.
- Generally, having been established for more than one year. For those less than one year old, the focus should be on assessing their professional capabilities, personnel quality, business risks, etc., following a principle of caution.

Supplier access approval

- For supplier access, the initiating department is responsible for verifying the materials of the supplier. After confirming their authenticity and validity, the centralized management department is responsible for approval.

Supplier evaluation

- The Company evaluates and reviews suppliers during business execution, with the evaluation and review results serving as important criteria for the annual supplier assessment.
- Based on the annual supplier assessment and business cooperation situation, the Company conducts hierarchical management of supplier relationships.

Supplier Selection and Evaluation Process

As of the end of the reporting period, Baosight had a total of 1,494 qualified and preferred suppliers.

Responsible Supply

Baosight places high importance on the integrity and compliance of its supply chain, striving to create a fair, just and mutually beneficial cooperation system with suppliers. The Company consistently conveys the concept of adhering to business ethics to its suppliers, aiming to build a responsible supply chain. The Company sets a goal of achieving 100% transparency in procurement through its Sunshine Procurement platform for procurement activities that do not fall within the scope of bidding. Additionally, Baosight requires suppliers to sign integrity agreements as per regulations, conducts inspections and audits and regulates supplier behaviors.

Supply Chain Capability Building

Baosight fosters strategic partnerships with suppliers to cultivate strategic suppliers. It also ensures reasonable growth in the number of suppliers while integrating them professionally to enhance their ability to provide products and services aligned with the Company's development direction. During the reporting period, Baosight formed strategic alliances with numerous suppliers and imposed qualification and capacity requirements on all suppliers to encourage them to focus on capability improvement.

Furthermore, Baosight actively participates in social responsibility by giving particular assistance to private businesses and small and medium-sized enterprises (SMEs). In its supplier selection process, the Company handles private, SMEs, state-owned and foreign-funded enterprises equally. It also prioritizes payment obligations for private and SMEs throughout procurement contract implementation.

Green Supply Chain

To foster the development of an environmentally conscious supply chain and enable sustainable procurement practices, Baosight proactively advocate for the digital intelligence transformation of the supply chain, consistently improving its efficiency.

The Company has created a procurement supply chain "smile curve", which involves streamlining and optimizing procurement-related node processes and management systems. Based on this foundation, the Company has iteratively upgraded system functionality through digital intelligence means. By integrating multiple systems across the procurement supply chain, it has achieved full-process paperless collaboration from procurement demand planning, plan application, procurement business processes, electronic contract signing, procurement contract filing, to execution.

Sincerely Serving Customers

Baosight always places customers at the center and makes service the core of its operations. The Company has established systems such as the *Customer Credit Management Measures* and the *Baosight Representative Management Measures* to comprehensively serve customer needs. With high standards and strict requirements, it strives to achieve delivery quality and create greater value for users.

In terms of customer service management, Baosight adheres to compliance in the marketing process and conducts customer service activities with integrity and transparency, ensuring that customer rights are fully protected.

Sales staff sign an integrity agreement of 100% and sales staff register their own or family business situations.

During major holidays, sales staff must sign an *Integrity Festival Commitment Letter*.

Each department manager must sign the "Responsibility Statement for Party Conduct, Integrity, and Business Risk Control."

Compliance Marketing Initiatives

Customer Complaints Handling

Baosight has established standards for handling customer complaints, such as the *Customer Complaints Management* standard. These standards regulate the process of receiving, handling and tracking complaint resolutions efficiently, ensuring prompt responses to customer concerns.

Customer Satisfaction Management

Baosight has implemented a comprehensive customer relationship management system to optimize the customer service experience and continually improve customer satisfaction. The company has developed the *Measurement and Analysis Procedure for Customer Satisfaction* to conduct surveys and analyze customer satisfaction levels. This continuous feedback loop helps meet current and future customer needs and expectations, leading to ongoing improvements in the management system and enhancing the Company's competitiveness.

In 2023, Baosight conducted a customer satisfaction survey and the results were as follows:

Project satisfaction **95.6%**

Maintenance project satisfaction **95.2%**

Self-owned product satisfaction **94.1%**

Baosight firmly upholds the concept that "lucid waters and lush mountains are invaluable assets". The Company makes continuous research on Internet+ "Dual Carbon" and actively enhances its energy management capabilities, helps customers carry out green production, improves resource efficiency, reduce energy consumption and promotes green transformation of the industry.

03

Green Development, Evergreen Mountains and Rivers

Environment Management

In order to implement the laws and regulations of the *Environmental Protection Law of the People's Republic of China*, *Law of the People's Republic of China on Energy Conservation* and *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, Baosight has established a series of management systems including the *Environmental Protection Management Measures*, *Accountability Management Measures for Environmental Protection Events*, *Compliance Management Measures for Environmental Protection* and *Environmental Incident Management Measures* (*Emergency Response Plan for Major Sudden Environmental Incidents*). These measures are designed to control environmental risks in the Company's operations and fulfill corporate environmental responsibilities.

Baosight has obtained ISO 14001 certification for its environmental management system and undergoes annual supervision audits by the Shanghai Audit Centre of Quality System. During the reporting period, the Company did not experience any environmental violations or incur significant fines related to environmental protection.

ISO 14001 environmental management system certification

Emission Management

During its production and operation processes, Baosight does not emit exhaust gases or industrial wastewater. Wastewater meets the standards outlined in the *Comprehensive Wastewater Discharge Standards* after treatment. Additionally, the Company classifies, recycles and disposes of waste generated during its operational processes in accordance with the *General Solid Waste Classification and Code*.

"Dual Carbon" Construction

Carbon Emission Management

Baosight actively responds to the national "Dual Carbon" strategy by establishing a Carbon Neutrality Special Promotion Working Group. This group operates within a unified and coordinated structure with the Safety, Energy and Environmental Protection Department, ensuring collaboration and execution among all secondary units. This organizational framework drives the Company's energy conservation, emission reduction efforts and the digital intelligence of the "Dual Carbon".

By actively conducting annual carbon assessments, Baosight identifies important sources of carbon emissions throughout its operating value chain. The Company gradually breaks down these emissions and establishes phased reduction targets, thereby advancing comprehensive and effective carbon emission management.

Baosight rigorously manages greenhouse gas emissions generated from its operations. The Company conducts annual internal carbon emission accounting and undergoes external verification by the Shanghai Energy Conservation Information Center to ensure compliance with national and Shanghai municipal requirements regarding greenhouse gas emissions. Over the past three years, the Company's greenhouse gas emission intensity has shown a year-on-year decrease trend:

Indicator	Unit	2021	2022	2023
Scope 1 GHG Emissions[3]	CO_2 equivalent - tons	163.68	163.68	163.68
Scope 2 GHG Emissions[4]	CO_2 equivalent - tons	547,169.82	517,389.62	501,953.33
Total GHG Emissions	CO_2 equivalent - tons	547,333.50	517,553.29	502,117.01
GHG Emission Intensity	CO_2 equivalent - tons/ million RMB revenue	46.54	39.30	38.87

"Dual Carbon" Application System

Based on the industrial internet platform, Baosight has built a carbon management system. The Company has strengthened its efforts in developing emission reduction projects, revitalizing assets and activating the trading market with carbon emission reduction and carbon trading as its core research focus. Following preliminary research, planning, construction and testing phases, the first phase of the project has covered the main participants in Baowu Group's carbon market, with 31 controlled emission enterprises participating. During the reporting period, Baosight conducted the following work to empower the "dual carbon" construction.

Carbon integrated management system	On the basis of the existing carbon management platform, the carbon integrated management platform has been developed to include the architecture of carbon integration management, division of carbon offsetting, management of offsetting data, implementation pathways and planning for carbon reduction scenarios such as carbon accounting data for production optimization and dynamic design of processes.
Carbon emission penetration management platform	On the basis of the existing carbon emission management platform, efforts are being made to advance the development of a comprehensive carbon emission management platform, with a special focus on the carbon emission management system and modules for steel companies.

[3] Scope 1 mainly includes greenhouse gas emissions generated from natural gas, gasoline and diesel.

[4] Scope 2 includes indirect greenhouse gas emissions generated from purchased non-renewable electricity and purchased steam, with a reference to the national grid's average emission factor of 0.5703.

Energy Management

Data Centers

With the country vigorously developing the data center industry, the proportion of energy consumption in data centers in the national economy is constantly increasing. Against the backdrop of "dual carbon" initiatives, we leverage the 14th Five-Year Plan and the "East and West Calculation Project" to expand its new data center projects to North China. It fully utilizes the advantages of abundant local energy and cool climate to improve energy efficiency. Additionally, the Company upgrades and renovates data centers by optimizing and upgrading from multiple perspectives such as software, modular integration of cabinets, optimization of battery group supply and distribution and utilization of natural cold sources in data rooms, thereby reducing overall energy consumption. During the reporting period, the Company invested a total of RMB 97 million in energy-saving technological transformations and the energy usage was as follows:

Indicator	Unit	2023
Total comprehensive energy consumption[5]	Tons of standard coal	108,245.43
Comprehensive energy intensity	Tons of standard coal/ million RMB revenue	8.38
Total clean energy generation	Megawatt-hours	1,989

The Company implements energy efficiency improvements in data centers through two main aspects:

Improve the operational efficiency of the basic environmental power supply system and refrigeration subsystem.

- By employing technology, the equipment selected for the subsystems operates within the high-efficiency range of the load efficiency curve, with the efficiency of the equipment ranging from 0% to 100% load efficiency. Additionally, the composed subsystems operate within the high-efficiency segment of the load efficiency curve.

- During winter, when the outdoor temperature drops to a predetermined value, the indoor chilled water circulation in the data center can utilize a plate heat exchanger to exchange natural cooling energy from the outdoor cooling tower circulation water. This allows the compression chiller of the chilled water unit to stop mechanical compression for refrigeration, significantly improving the operational efficiency of the data center's cooling subsystem.

Energy-saving design at the source of the electronic system

- After determining the efficiency indicators and controllable capabilities of the required procurement equipment, design high-efficiency control strategies on the HVAC control platform software. Additionally, during operation and maintenance, implement cleaning, adjustments and optimizations to achieve high efficiency and low PUE (Power Usage Effectiveness) throughout the data center's lifecycle.

- Select CPUs that can dynamically adjust frequency and voltage based on the load and use server power supplies that have obtained the 80PLUS Gold certification, indicating an energy-efficient power supply product with a conversion rate of not less than 90%.

During the reporting period, the average annual comprehensive Power Usage Effectiveness (PUE) value of Bgcloud's Luojing IDC Park was 1.308. Simultaneously, following the calculation principles outlined in Shanghai's guidelines for new data centers, the comprehensive PUE of newly constructed data centers in the park was consistently below 1.3.

[5] The primary energy consumption includes electricity, gasoline, diesel, natural gas and other energy sources, converted into equivalent comprehensive energy consumption values. The energy conversion coefficients for different regions are provided by local environmental departments coordinating with statistical departments.

Clean Energy

Baosight continues to plan and implement green energy projects to promote the adoption of clean energy transformation technologies. The Company has introduced a coordinated control strategy called "Light, Store, Charge and Use," which balances and optimizes energy consumption within microgrids. This strategy involves regulating internal electricity usage, grid operation control, load-switching between grid-connected and off-grid modes and maintaining constant power output. These measures aim to optimize electricity costs, maximize the utilization of renewable energy sources and achieve carbon emission reduction goals. As of the end of the reporting period, we have completed the construction of a 4.6MWp photovoltaic unit in Phase 1 and have plans to build a total of 13.88MWp photovoltaic units.

Luojing Data Center Photovoltaic Project

Baosight has constructed a photovoltaic (PV) project at its Luojing Data Center, based on rooftop PV power generation and energy storage systems. The project aims to integrate generation, grid and storage in a microgrid system within the park. PV modules are installed above the roofs of the Baosoft Luojing IDC buildings, along with the construction of PV units and a 0.5MW/1MWh energy storage station. The Phase 1 was grid-connected and started generating electricity in December 2023. It has an annual average electricity generation of approximately 8.1 million kilowatt-hours, saving approximately 1,728 tons of standard coal equivalent annually. This corresponds to a reduction in carbon dioxide emissions of about 5,694 tons for the Luojing IDC Data Center.
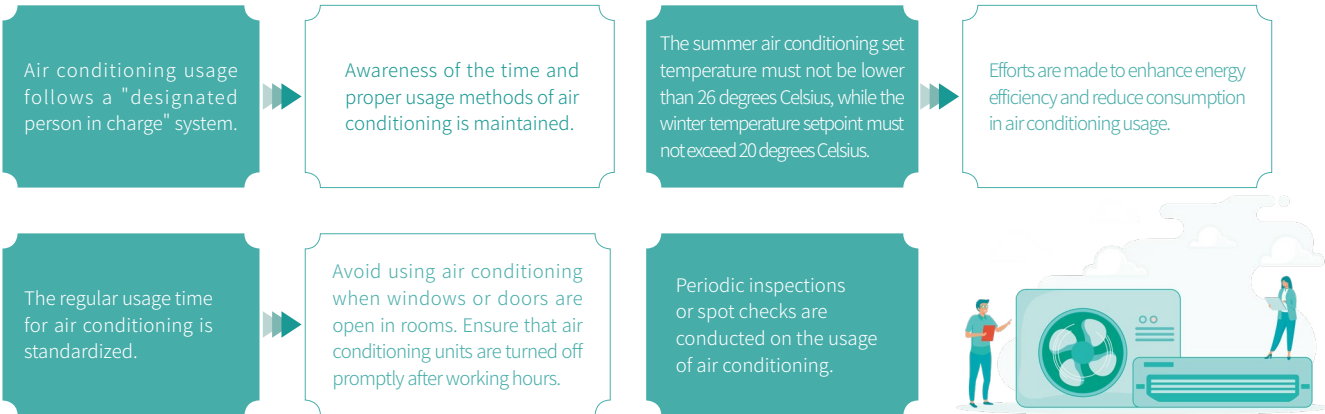

Luojing Data Center Photovoltaic Project Phase 1 partial overview

Baosight has advanced key technology research and industrial development in the field of new energy through industry-academia-research collaborations. The Company has signed a strategic cooperation framework agreement with Huazhong University of Science and Technology (HUST), leveraging the high-quality professional resources of HUST's School of Electrical Engineering to comprehensively engage in cooperation on new energy storage, grid-source-load-storage applications and other areas.

Energy-Saving Office Practices

Baosight vigorously advocates for green office practices, fostering environmental awareness among employees, promoting paperless offices and encouraging eco-friendly commuting. The office buildings are equipped with energy-saving and motion-sensing lighting fixtures. Lighting time is controlled through building automation systems to reduce unnecessary electricity consumption. Additionally, the Company issued a *Notice Regarding the Energy-saving Usage of Air Conditioning and Fresh Air Systems* in the new office building, providing detailed regulations for their energy-efficient use.

Air conditioning usage follows a "designated person in charge" system.	Awareness of the time and proper usage methods of air conditioning is maintained.	The summer air conditioning set temperature must not be lower than 26 degrees Celsius, while the winter temperature setpoint must not exceed 20 degrees Celsius.	Efforts are made to enhance energy efficiency and reduce consumption in air conditioning usage.
The regular usage time for air conditioning is standardized.	Avoid using air conditioning when windows or doors are open in rooms. Ensure that air conditioning units are turned off promptly after working hours.	Periodic inspections or spot checks are conducted on the usage of air conditioning.	

Energy-saving regulations for air conditioning and fresh air systems in new office buildings

Baosight understands that talent is the most valuable asset of an enterprise and considers the growth and development of talent as the core driving force for continuous progress. The Company continuously improves its multi-channel recruitment mechanism to actively attract outstanding talents. Furthermore, Baosight deepens employee care, safeguards employee rights and interests, attaches importance to employee development, strives to build a healthy work environment and works together with every employee to create a harmonious home.

04

People-Oriented, Unity in Action

Employee Rights and Benefits

Baosight attaches great importance to employee rights and interests, ensuring that employees are respected and cared for in their work through a comprehensive employee rights protection system, including fair compensation and comprehensive health insurance. Additionally, the Company opposes any discriminatory behavior against employees based on factors such as gender, age, religion, ethnicity, family status and health condition.

Employee Recruitment

Baosight strictly abides by relevant laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and the *Social Insurance Law of the People's Republic of China*. Baosight has established the *Employee Recruitment Management Measures* and other management systems to ensure compliance, diversity and equity, thus ensuring the fairness and reasonableness of the recruitment process. During the reporting period, the coverage rate of collective agreements reached 100%.

The Company explicitly prohibits any use of child labor and forced labor. To effectively prevent the employment of child labor and forced labor, the Company conduct verification of employee's identity documents and registration in the information system during the recruitment process, ensuring that employees and potential candidates are aware of the relevant company regulations. In the event of any violation, the Company adopts a zero-tolerance approach and deals with it strictly. During the reporting period, Baosight did not experience any incidents involving child labor or forced labor.

To ensure effective talent acquisition, the Company actively implements a variety of recruitment techniques, plan ahead, change as needed and respond flexibly. During the reporting period, the Company used a "Quantity based on expenditure, Strict control" employment strategy. The Company collaborates closely with universities during spring and fall recruitment events to attract outstanding fresh graduates. For social recruitment, the Company precisely matches talents to meet the specific position requirements of each department. Baosight has increased its recruitment efforts for various talents, particularly in areas such as PLC and robotics, which are emerging businesses for the Company.

As of December 31, 2023, Baosight had over 5,700 employees, in which female employees accounted for approximately 25% of the total workforce, with female representation in management at 14.4%.

Remuneration and Benefits

Baosight is committed to establishing a fair and transparent remuneration system and has developed the *Position Compensation Management Measures*. This system sets basic salary standards based on job value and implements annual salary adjustments and performance bonuses based on employee performance evaluation results. This ensures that employees receive competitive compensation, which motivates them to work actively, enhances their sense of identity and belonging in the company.

The Company consistently values the individual value and contributions of each employee and provides comprehensive welfare benefits to all employees. In addition to meeting national statutory standards, the Company offers additional welfare benefits to employees, focusing on their physical health and quality of life while fulfilling social responsibilities.

Welfare category

- Social insurance, commercial insurance, Shanghai Federation of Trade Unions (SFTU) Staff Category B benefits, Comprehensive Accident Group Insurance, annual health checkup, housing provident fund, supplementary housing fund, enterprise annuity.

Leave category

- Paid annual leave, paid sick leave, marriage leave, paternity leave, parental leave, maternity leave, childbirth leave, breastfeeding break, prenatal and antenatal care leave.

Subsidy category

- Meal allowance, holiday benefits

In addition, the Company has implemented a Restricted Stock Incentive Plan, offering opportunities for core management and technical (business) employees to participate. This plan encourages employees to become more deeply involved in the Company's long-term development by holding the shares, thus aligning their interests with its growth goals. During the reporting period, the Company completed the initial grant of the third phase of the Restricted Stock Plan, awarding restricted stocks to over 850 individuals.

Training and Development

Employee development is a critical pillar upon which the Company's consistent advancement rests. Baosight proactively broadens avenues for employee growth and development, clarifies the employee promotion process and promotes self-directed learning and career advancement.

Career Development

The Company establishes a clear career promotion channel for employees and provides a broad space for career development. The positions at the Company are divided into three categories, namely management positions, technical business positions and operation and maintenance positions. Each position category is set up with career development levels and qualification standards, which makes it easy for employees to identify the direction of their personal development and enhance their professional capability.

To consistently pursue capability enhancement and excellent performance of employees, Baosight has established and continuously improved employee performance management and promotion system based on principles of fairness and equity. The Company uses each fiscal year as an assessment period and employs a complete performance management process that includes breaking down performance goals and merging them with employees' job duties and competencies. This procedure includes quarterly tracking and annual assessments to manage employee performance throughout the year.

The annual evaluation incorporates 90-degree and 360-degree feedback approaches, with evaluators assessing employees' performance and capabilities in relation to their job tasks and performance objectives. The evaluation results are then shared with employees and used for a variety of purposes, including employee incentives, talent development and the general optimization of human resources within the Company. This process aims to achieve synchronized growth between employees and the Company.

Employee Training

Baosight has established management documents such as the *Employee Training Management Measures*, continuously deepening the construction of its talent pool. In accordance with the Company's strategy and business development needs and targeting the characteristics of different groups of talents, the Company formulates annual training plans for employees and implements training courses and various talent development projects accordingly. Tailored to the characteristics of different types of talents, the Company develops differentiated training and enhancement programs, implements talent echelon construction and uses diversified methods to enhance employees' abilities and expand their qualities in subtle ways.

High-end technical talents	**Managers**	**Technical backbone**	**Young talents**
◆ Implement the "Baosight Technical Expert" selection, apply for national and provincial-level talent awards and promote the adjustment of the term system for directors.	◆ Continuously strengthen the capabilities of management personnel in line with the Company's strategic development and operational tasks and enhance the construction of the management talent team.	◆ Carry out special training for professional competence improvement, apply for professional titles, PMP training and examinations, etc.	◆ Implement school-enterprise cooperation training programs, systematize training in the Turst Cube xln³ system and implement a dual mentorship plan for teacher-apprentice mentorship.

Differentiated training and development programs for employees

During the reporting period

the Company organized a diverse range of training activities

with a total duration of	These training sessions were attended by	with an average training duration of
720,322.5 hours	**219,783** individuals throughout the year	**119** hours per person

Building talented management teams focusing on cultivating outstanding entrepreneurs

The Company focuses on cultivating outstanding entrepreneurs through a combination of specialized training and comprehensive development. It adopts a blended approach, combining online and offline methods, to select excellent managers to participate in key programs such as the "One School, Five Institutes" cadre training and the Baowu Group management personnel training. It actively promotes leadership training programs for middle and senior management personnel in various business departments.

Focusing on constructing a top-notch team of technology leaders by nurturing high-end technical and business talents

As of the end of the reporting period, the Company has completed the third batch of "Baosight Technology Expert" selections and initiated a new round of annual adjustments to the director's tenure system, promoting director tenure management and the ability to move up and down within the Company. The Company also put in place "H-shaped" career path development model to facilitate the communication between management talent and technological business talent.

Building a youth talent team: implementing new graduate onboarding training and youth core training camp

To assist new employees in developing career awareness and improving professional skills, the Company has designed "Trust Cube" systematic training scheme. In addition to orientation training, the Company also developed a three-year training program, implemented a dual-mentorship program. For young talents, the Company carries out the "Trust Young" Youth Innovation Training Camp, focusing on enhancing young core employees' communication, presentation and expression skills comprehensively. The course, combining competition with training, aims to foster employees' innovative thinking and improve their "soft skills".

Orientation training for new college graduates

Joint Training and Degree Sponsorship

Baosight continues to promote collaboration in education and training with universities, having signed a strategic cooperation agreement with Central South University to establish a specialized demonstration software college. Additionally, the Company has established a dedicated institution for the supervision of doctoral and master's programs in software engineering, implementing comprehensive management throughout the process.

Baosight supports employees in upgrading their educational qualifications. During the reporting period, the Company has continuously sponsored key technical staff to pursue master's or doctoral degrees from top universities such as those listed in the "985" and "211" categories. Additionally, Baosight encourages employees to pursue doctoral or master's degrees in their spare time and based on their educational achievements, Baosight provides corresponding rewards according to the standards set for educational advancement incentives.

Health and Safety

Baosight follows the "People First, Life First" principle, which includes implementing employee health and safety protection and education, establishing a sound safety management system and occupational health management mechanism and making every effort to create a safe and healthy working environment for employees. The Company is committed to building a comprehensive health-care system for our employees, thereby increasing their trust and sense of belonging to the Company.

Health and Safety Management System

The Company strictly adheres to laws and regulations such as the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases* and the *Regulation on Work-Related Injury Insurances* and has formulated management systems such as the *Manager Safety Performance Standards* and the *All-Staff Safety Production Responsibility System*.

The Company has established a "One Headquarters, Multiple Bases" safety management system led by the Safety and Environmental Department, with safety responsibilities being implemented at every level. In response to potential safety emergencies in production, operations and daily management, the Company has established a top-down emergency response team involving all levels and developed emergency response plans for fire evacuation, heatstroke prevention, flood and typhoon prevention and injury accidents. These plans outline detailed requirements and explanations for responsibilities, material reserves, emergency response procedures and measures. During the reporting period, the Company has obtained ISO 45001 Occupational Health and Safety Management System certification.

ISO 45001 Occupational health and safety management system certification

Hazard Identification and Control

To comprehensively control safety hazards and strengthen the inspection of safety risks, the Company conducts periodic safety checks on various departments and subsidiaries. During the reporting period, Baosight conducted safety inspections on the company headquarters, Meishan Design Institute, Nanjing Baosight, Baosight Data, Guide Group, Xinjiang Baosight, etc. Identified safety hazards were classified and analyzed and respective units were required to rectify them promptly. During the reporting period, the Company did not experience any safety production accidents.

Identification of safety hazards: hazard Identification at Company headquarters

In August 2023, in response to the changes in the work environment, the Company conducted a hazard identification and environmental hazard assessment at its headquarters. A total of 678 hazards and 303 environmental hazards were identified and corresponding control measures were formulated. The Company also conducted comprehensive dissemination to all employees to ensure the creation of a safe, stable and comfortable office and operational environment for its employees.

In addition to conducting rigorous and effective safety checks and controls internally, the Company has also established strict safety requirements for external partners. The Company has signed safety management agreements with suppliers and issued *Safety Production Permits* by the Safety and Environmental Department. Each project unit is responsible for reviewing their safety-related materials, conducting safety training and performing on-site construction safety inspections.

Safety Production Education

Baosight adheres to the implementation of comprehensive safety education for all employees, conducting diverse and enriching safety training and drills for emergency response. As of the end of the reporting period, the safety education rate for employees reached 100%.

Safety production month: safety alert series activities

In June 2023, which marked the National "Safety Production Month", Baosight carried out a series of activities to promote safety production. These activities included organizing labor competitions to implement the "full staff safety production responsibility system", providing case studies on incidents related to illegal commands and operations and publicly conducting public campaigns to promote safety awareness. These efforts were aimed at enhancing the safety production awareness among employees.


Television promotion for safe production   Announcement of safe production month activities

Safety emergency drill: fire emergency evacuation drill

In September 2023, the Company conducted a fire emergency evacuation drill, with approximately 500 employees participating in the on-site exercise. This drill aimed to enhance employees' emergency response capabilities and assess the effectiveness of the company's fire safety facilities.

Employee emergency fire drill
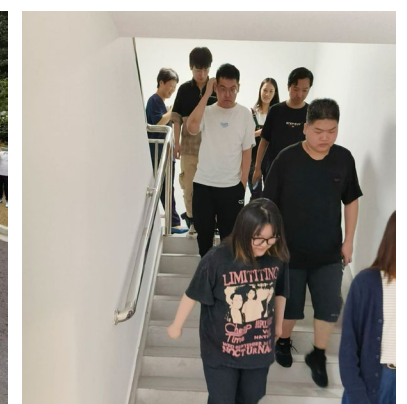
Communication and Care

While addressing employees' physical health, the Company also consider their mental well-being. Baosight isconstantly optimizing the working atmosphere, organizing numerous cultural activities, providing quick aid to staff experiencing challenges and aggressively developing open communication channels. The Company collaborate with our employees to achieve a brighter future.

Employee Communication

The Company has established diverse communication methods and channels to ensure smooth and unimpeded information flow between employees, as well as to provide effective mechanisms for employee participation and feedback.

Baosight organizes regular forums such as symposiums and employee representative meetings, enabling direct interaction between employees and management. These forums provide an open platform for employees to share ideas, offer suggestions and gain insights into the Company's development direction. During the employee representative meetings, representatives review administrative work reports, participate in decision-making and discuss company affairs to ensure that employees have a comprehensive understanding of its operational development. The labor union conducts regular "I Undertake Practical Initiatives for the Masses" activities to address and resolve the "most direct, most concerning and most realistic" issues and complaints faced by employees. The Company addresses these issues promptly and ensures a 100% response rate, thereby creating a closed-loop management system.

In terms of reporting procedure, the Company has established a problem-solving framework consisting of the Party Committee, Discipline Inspection Commission, Labor Union, Youth League Committee, Human Resources Department and managers at all levels. The Company adopts diversified communication methods to provide employees with avenues to directly report problems, offer suggestions or lodge complaints. Employees can use platforms such as "Baowu WeChat" software, the "I Provide Suggestions for the Enterprise" platform, the "Baosight Encyclopedia" online community as well as communicate via phone, email, or through petitioning channels to provide feedback. The Company offers a completely open and transparent communication platform to employees and ensures that problems are effectively resolved.

During the reporting period, the voluntary turnover rate among employees was 2.4%.

"I Provide Suggestions for the Enterprise" Platform

The Company has created the "I Provide Suggestions for the Enterprise" platform to guide employees in benchmarking their positions, participating in management and fostering regular innovation activities among all employees. In recent years, the Company has received an average of over 5,400 suggestions annually, with an average of over 1,300 suggestions being implemented. The valuable suggestions provided by employees have gathered tremendous strength to support the Company's development.

Care for Employees

Baosight regards employees as its most precious asset. To better care for the work and life of each employee, the Company has been committed to creating a warm and caring corporate family.

Through a diverse welfare system and caring initiatives, the Company strives to meet the various needs of employees in both work and life. Through the Smart Union platform, the Company distributes holiday gifts, gifts for single young people and heatstroke prevention supplies to employees.

Baosight pays special attention to the physical and mental health of female employees. Through the efforts of the Women's Committee, the Company has established a "Mommy Room" to provide more intimate services for female employees. Additionally, the Company regularly organizes activities related to women's health and fitness.

Starting from enhancing capabilities, innovating job positions and serving employees, the Company has implemented the "Three Comprehensive" project, which includes comprehensively enhancing employees' capabilities and qualities, promoting job innovation and value creation for employees and improving their quality of life comprehensively. Within this framework, the Company conducts a variety of cultural and recreational activities, creating the "Trust Cube, Creation Cube, Fun Cube" brand activities, offering various interest classes (such as tea art, Pilates, ukulele, etc.) and cultural and recreational associations as well as organizing financial seminars, health lectures and health activities in cooperation with the Red Cross, enriching employees' leisure lives.

Trust Cube

- Through mentorship, job rotation and project-based learning, we explored and implemented high-potential youth talent management positions to facilitate employee growth and development.

Creation Cube

- We organized various smart manufacturing forums, competitions, "I Provide Suggestions for the Enterprise" event, innovation achievement releases and job innovation activities to provide employees with a platform for innovative thinking and practice.

Fun Cube

- Focused on wealth, health and humanities, our company aims to serve employees' cultural life by organizing various cultural and sports activities tailored to their characteristics through the year. These activities are designed to help employees explore interests and hobbies off work, thus maintaining a high level of enthusiasm for their jobs.

Healthy and Happy Walk

To create a relaxed and pleasant leisurely atmosphere and allow employees to release themselves from busy work, the company's labor union organized the "Healthy and Happy Walk" event on May 13, 2023, as part of Baosight's 2023 Spring "Fun Cube" activities. The event featured several themed checkpoints along the Yangpu Riverside, where participating employees could use a WeChat mini program to check in while walking and enjoy the beautiful riverside scenery. The labor union provided ample supplies and medical support during the event to ensure everyone could fully enjoy nature in a relaxed and joyful atmosphere.

Healthy and Happy Walk

Baosight Cultural Month

To enhance employee cohesion, enrich their cultural life and continue promoting corporate culture, the Company's labor union organized the 2023 Baosight Cultural Month "Collaboration Cup" sports and cultural competition from November to December 2023. The event included various activities: Ping Pong Association organized table tennis team and singles competitions, with nearly 50 participants competing; Yoga Association organized a yoga experience and demonstration event, where over 30 employees gathered on the terrace of the company's Baoshan base to experience the integration of yoga with nature, feeling the power of mind and body; Photography Association organized a photo shooting activity at Gulf Park and Qingxi Ancient Town during the autumn season.

Baosight Cultural Month activities

As the Company evolve, Baosight remains steadfast in prioritizing people and staying true to our founding principles. Baosight actively engages in diverse social initiatives, fulfilling our responsibility towards public welfare and giving back to society. Furthermore, the Company are deeply involved in revitalizing rural areas, working to strengthen and expand our accomplishments, thus contributing to the shared prosperity of society.

05

Fostering Virtue, Walking Together

Assistance and Co-building

Baosight is committed to promoting social welfare by actively participating in six major assistance projects involving gratuitous and compensated funding. The Company launched the "New Farmer's Week project", part of the smart labor union construction, through live streaming sales and other methods to introduce agricultural products into the Company's cafeteria. This initiative directly connects agricultural products with urban residents' dining tables, thereby increasing farmers' income and supporting rural economic development. In regions such as Guangxi and Inner Mongolia, Baosight have initiated smart agriculture projects aimed at enhancing agricultural productivity using advanced technological means. This effort represents a long-term commitment by the Company to promote agricultural modernization and achieve sustainable development.

Since its successful launch and operation in July 2023 in Luotian County, Hubei Province, the "Fishing" Smart Agriculture Cloud Platform built by Baosight has shown immediate positive effects on local agricultural production and sales. The platform has now connected with 102 online channels and partner enterprises, achieving online sales exceeding RMB 10 million, a five-fold increase compared to the previous year.

Baosight has also developed the SaaS version of the Chinese herbal medicine traceability system, serving pharmaceutical companies such as Shanghai Pharmaceuticals, Shanghai Wanshicheng Pharmaceutical Co., Ltd., Suzhou Tianling Chinese Herbal Medicine Decoction Piece Co., Ltd.and Green Valley. Additionally, in close collaboration with "Suishenban" app or Shanghai's OR code, Baosight's "Anxinda" platform serves all Shanghai residents, having connected with nearly 400 medical institutions and over 30 Chinese herbal medicine enterprises. The platform has accumulated over 37 prescription data points and more than 30 million decoction data points.

China Baowu "Digital Intelligence Empowerment" demonstration project team has carried out assistance work

The China Baowu "Digital Intelligence Empowerment" demonstration project team conducted pairing assistance with the Luotian County government. During the pairing assistance meeting, Baosight donated love-building funds to Dazhuyuan Village in Shengli Town. Since pairing assistance with Luotian County, the Company has developed a digital rural cloud platform tailored to local conditions, integrating convenient services into grassroots governance. This progressive approach has made rural life increasingly convenient, governance more effective, rural culture more civilized and industries more prosperous.

The "Digital Intelligence Empowerment" demonstration project team carries out assistance work

Activating the rural revitalization digital code: Wengniute Banner Smart Agriculture Cloud Platform Project

Baosight has meticulously developed the Smart Agriculture Platform in Wengniute Banner, Inner Mongolia, creating a smart industry chain for "Hongshan" rice. Through the model of leading enterprises + cooperatives + farmers, the Company has achieved large-scale and scientific rice cultivation. Additionally, by leveraging the quality traceability system, Baosight has enhanced the brand of "Hongshan" rice, assisted farmers in improving planting techniques, increasing income and contributed to the local goal of achieving common prosperity as soon as possible.

The Shanglin Rice Smart Agriculture Base

To facilitate the seamless distribution of agricultural products to thousands of households in Shanglin, Guangxi Zhuang Autonomous Region, Baosight has partnered with the local administration of Shanglin to investigate potential collaboration on the Shanglin Smart Agriculture Platform project. By working together, Baosight has pushed Shanglin's full agricultural industry chain to be built, strengthening the digitalization of agriculture and reviving rural areas.

Shanglin Smart Agriculture Platform

Public Welfare and Charity

Baosight has actively participated in the voluntary blood donation activities organized by Baosteel Red Cross for many years. In 2023, the Company organized a total of 65 volunteers to participate in this public welfare activity, continuing to contribute to social public welfare causes. During the reporting period, the Company organized a total of 9 volunteer activities, with volunteers contributing a total of 240 hours of service.

Furthermore, all employees donate one day's earnings to public welfare causes each year. During the reporting period, the total amount provided through "One Day's Donation" and donations to Baosteel Red Cross was RMB 671,200. This sum is invested directly in places with practical needs, thereby positively impacting the lives of local populations.

"One Day's Donation" and donations to Baosteel Red Cross was RMB

671,200

Party Building

The Party committee of Baosight plays the leadership role of "Setting direction, Overseeing the Overall Situation and Ensuring Implementation", fully leveraging the political and organizational functions of the party organization to implement the Party's leadership in various aspects of corporate governance. The Company adheres to improving modern corporate systems, correctly manages the relationship between the party committee and other governance entities such as the Board of Directors and management and establishes a corporate governance mechanism that is legally responsible, transparent, coordinated and effectively balanced, thereby transforming institutional advantages into governance efficiency.

The Company's party committee focuses on "Striving to be a model Party branch and excellent CPC Party member", comprehensively promotes the "Party member responsibility zone", actively creates "Party member demonstration posts", establishes "Co-construction projects" including customer co-construction, cross-regional collaborative construction, rural revitalization co-construction, central-local co-construction and continuously advancing the construction of the Party member team with the goal of achieving "Three-Highs and Two-Transformations for First-Class Excellence", namely high technology, high market share, high efficiency and ecological transformation, international transformation. The fourth Party general branch affiliated with the Company was awarded the title of "Demonstration Point for Party Branch Construction" in Shanghai in 2023.

The Company's party committee closely centers on the theme education of studying and implementing Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, adheres to the general requirements of "learning ideology, strengthening party spirit, emphasizing practice and building new achievements", highlights its position, focuses on practical results, and revolves around "achieving real results, understanding real situations, devising real strategies and emphasizing real effectiveness".

The Company's party committee has conducted over 200 discussions and seminars, with the combination of thematic education and strategic tasks, problem-solving and employee service, with a focus on deepening theoretical learning, using practical investigation and research as a carrier, taking advantage of in-depth problem analysis and driving through rigorous rectification and implementation. This approach has led to the identification of 69 research topics and the formulation of 178 rectification tasks through the "one question, one form" method, focusing on five areas of five of building, namely standardizing branch establishment, normalizing organizational activities, refining management services, systematizing work procedures and standardizing the construction of positions. Additionally, 39 projects addressing employee concerns have been implemented. This comprehensive approach ensures the high-quality development of the Company facilitated by high-quality theme education.

conducted over	led to the identification of	formulation of rectification tasks through the "one question, one form" method	projects addressing employee concerns have been implemented
200	**69**		
discussions and seminars	research topics	**178**	**39**

Appendix I: Overview of Data Metrics

Economic Performance	Unit	2023
Operating income	RMB Billion	12.916
Net profit	RMB Billion	2.611
Total taxes	RMB Billion	0.880
R&D expenses	RMB Billion	1.454
Return on net assets	%	24.65
Earnings per share	RMB	1.08
Dividends per share	RMB	1 (Proposed)
Social contribution per share	RMB	2.47

Environmental Performance	Unit	2023
Total environmental investment	RMB Billion	0.239
Total water consumption	10, 000 cubic meters	120.91
Total comprehensive energy consumption	Tons of standard coal	108,245.43
Energy intensity	Tons of standard coal /million RMB revenue	8.38
Scope 1 Greenhouse gas emissions	CO_2 equivalent - Tons	163.67
Scope 2 Greenhouse gas emissions	CO_2 equivalent - Tons	501,953.33
Total greenhouse gas emissions CO_2 equivalent - Tons	CO_2 equivalent - Tons	502,117.01
Greenhouse gas emissions intensity	Tons of standard coal /million RMB revenue	38.87
Photovoltaic power generation	MWh	1,989

Social Performance	Unit	2023
Percentage of suppliers with QHSE certification	%	45
Data center PUE	/	1.308
Total number of employees[6]	People	5,714
Male employees	People	4,286
Female employees	People	1,428
Age 30 and under (excluding 30)	People	1,102
Age 30~50	People	3,698
Age 50 and above（excluding 50）	People	914
Disabled employees	People	17

Social Performance	Unit	2023
Voluntary turnover rate	%	2.4
Coverage rate of collective agreements signed by employees	%	100
Training investment amount	10, 000（RMB)	839.87
Average training hours per employee	Hours	119.06
Total training hours for employees	Hours	720,322.5
Average training hours for information security	Hours	16.51
Average training hours for occupational and skill training[7]	Hours	226.78
Average duration per participant for environmental protection training	Hours	9
Average duration per participant for occupational health and safety training	Hours	5.82
Average duration per participant training for business ethics and anti-corruption training	Hours	2.47
Average duration per participant for employee rights (including diversity, equality and non-discrimination) training	Hours	5.05
Employee welfare and care investment amount	10,000（RMB)	53,521.45
Social insurance coverage rate	%	100
Coverage rate of information security management system ISO 27001 certification [8]	%	90
Total investment in safety production	RMB Billion	0.016
Rate of correction of safety hazards	%	100
Number of fatalities due to work-related injuries (Employees)	People	0
Number of fatalities due to work-related injuries (Contractors)	People	0
Lost workdays due to work-related injuries	Day	0
Work injury accident frequency rate (including direct employees and contracted employees)	Per million working hours	0
Coverage rate of occupational health examinations	%	100
Number of occupational disease cases	People	0

[6] The total number of full-time employees is the data as of the end of 2023.

[7] The number of participants in vocational and skills training is relatively low, leading to a higher average training duration per person.
[8] Calculated based on profit ratio.

Governance Performance	Unit	2023
Shareholders' meeting	Times	4
Board of Directors meetings	Times	11
Supervisory Board meetings	Times	11
Board of Directors Strategic Committee meetings	Times	1
Board of Directors Audit Committee meetings	Times	6
Board of Directors Compensation and Appraisal Committee meetings	Times	3
Meetings held by each committee	Times	10

Appendix II: GRI Standards Index

Note: Shanghai Baosight Software Co., Ltd. reported the information summarized in this GRI Content Index based on GRI Standards for the period from January 1, 2023, to December 31, 2023 (some content may extend beyond the above-mentioned time frame).

Chapter	Content	Standard
Report Preparation Explanation	Reporting Scope	2-1 2-2 2-3
	Basis of Preparation	
	Information Source and Reliability Assurance	
	Method of Acquisition	
Message from the Chairman		2-22
About Baosight	Company Profile	2-1 2-6
	Awards and Honors	
Featured Case Study	Digital Support for New Low-Carbon Metallurgy to Achieve Intelligent and Green Development	413-1 417-1
Chapter 1 Excellence in Governance, Upholding the Original Aspiration	Corporate Governance	3 2-9 2-12 2-29 205
	ESG Governance	
	Integrity Management	
	Risk Management	
Chapter 2 Quality-Based, Pioneering Innovation	Product Innovation	308 414 418
	Data Security and Privacy Protection	
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Chapter 3 Green Development, Evergreen Mountains and Rivers	Environment Management	3 201-2 301-1 302-1 302-2 302-4 302-5 305-1 305-2 305-5
	"Dual Carbon" Construction	
	Energy Management	
Chapter 4 People-oriented, Unity in Action	Employee Rights and Benefits	3 2-7 2-19 401-2 403-1 403-2 403-5 404-1 405-1
	Training and Development	
	Health and Safety	
	Communication and Care	
Chapter 5 Fostering Virtue, Walking Together	Assistance and Co-building	3 413-1
	Public Welfare and Charity	
	Party Building	